EAST END CROSSING
OHIO RIVER BRIDGES PROJECT

WVB East End Partners

Submitted to:
Indiana Finance Authority
c/o Indiana Government Center South
Conference Center Room 25
402 W. Washington Street
Indianapolis, IN 46204
ATTN: Silvia Perez

Submitted by:
WVB East End Partners
1260 East Summit Street
Crown Point, Indiana 46307
Phone: 315.207.3905

October 26, 2012
3:00 PM EST

FINANCIAL PROPOSAL – VOLUME 1

REDACTED VERSION - ELECTRONIC

Exhibit E

SUMMARY AND ORDER OF PROPOSAL CONTENTS

Technical Proposal Component	Form (if any)	ITP Section Cross-Reference
A. Executive Summary		
Executive Summary **(Exclude price information)**	No forms are provided	Exhibit B, Section 3.1
B. Proposer Information, Certifications & Documents		
Proposal Letter	Form A	Exhibit B, Section 3.2.1
Authorization Documents	No forms are provided	Exhibit B, Section 3.2.1
Identification of Proposer and Equity Members	Form B-1	Exhibit B, Section 3.2.2
Information About Proposer Organization	Form B-2	Exhibit B, Section 3.2.2
Information About Major Participants, and Identified Contractors	Form B-3	Exhibit B, Section 3.2.2
Letter accepting joint and several liability, if applicable	No forms are provided	Exhibit B, Section 3.2.2
Responsible Proposer and Major Participant Questionnaire	Form C	Exhibit B, Section 3.2.3
Industrial Safety Record for Proposer and Major Participants	Form D (as applicable)	Exhibit B, Section 3.2.4
Personnel Work Assignment Form and Commitment of Availability	Form E	Exhibit B, Section 3.2.5
Letter(s) Regarding Pre-Proposal Submittals	No forms are provided	Exhibit B, Section 3.2.6
Non-Collusion Affidavit	Form F	Exhibit B, Section 3.2.7
Buy America Certification	Form G	Exhibit B, Section 3.2.8

Technical Proposal Component	Form (if any)	ITP Section Cross-Reference
DBE Certification	Form H No forms are provided for the DBE Performance Plan or Job Training Plan	Exhibit B, Section 3.2.9
Surety/Financial Institution Information	No forms are provided	Exhibit B, Section 3.2.10
Conflict of Interest Disclosure Statement	Form I	Exhibit B, Section 3.2.11
Equal Opportunity Employment Certification	Form Q	Exhibit B, Section 3.2.12
Lobbying Certification	Form R	Exhibit B, Section 3.2.13
Debarment and Suspension Certification	Form S	Exhibit B, Section 3.2.14
Insurance	No forms are provided	Exhibit B, Section 3.2.15
Confidential Contents Index	No forms are provided	Exhibit B, Section 3.2.16
C. Proposer Election of Termination for Convenience Calculation Method		
Election of Termination for Convenience Calculation Method	Form V	Exhibit B, Section 3.4
D. Volume 1 Appendices		
Copies of Organizational Documents	No forms are provided	Exhibit B, Section 3.2.2
Proposer Teaming Agreement or Key Terms	No forms are provided	Exhibit B, Section 3.2.2
Executed Contracts or Term Sheets/Heads of Terms	No forms are provided	Exhibit B, Section 3.2.2
E. Proposal Security (Proposal Bond or Proposal Letter of Credit)		
Proposal Bond	Form K-1	Exhibit B, Section 3.3.1
Proposal Letter of Credit	Form K-2	Exhibit B, Section 3.3.2

Technical Proposal Component	Form (if any)	ITP Section Cross-Reference
F. Escrow Agreement		
Escrow Agreement	Form L	Exhibit B, Section 3.5
G. Preliminary Performance Plans		
Preliminary Project Management Plan	No forms are provided	Exhibit B, Section 4.1
Preliminary Project Baseline Schedule for Design and Construction	No forms are provided	Exhibit B, Section 4.1.4
Completion Deadlines	Form N	Exhibit B, Section 4.1.4
Design-Build Plan	No forms are provided	Exhibit B, Section 4.2
Operations and Maintenance Plan	No forms are provided	Exhibit B, Section 4.3
H. Volume 2 Appendices		
Key Personnel Resumes	No forms are provided	Exhibit B, Section 3.2.5
Technical Drawings, Graphs and Data	No forms are provided	Exhibit B, Section 4.2

Financial Proposal
Proposers shall follow the order of the Financial Checklist in their submissions. A referenced copy of this document shall be submitted with the Financial Proposal.

	Financial Proposal Component	Location of information within submission documentation	
		Document Reference	Financial Model Sheet Reference
A.	**Updated financial information** Proposer must provide the corporate and financial information identified in Section 2.0 of Exhibit C, for the Proposer and Equity Members	Financial Proposal Volume 1 of 2 Separated by Entity	
A1	Audited Fiscal Financial Statements for all periods subsequent to SOQ and unaudited interim financial statements (Exhibit C, Section 2.0)	Financial Proposal Volume 1 of 2 Section A1 for each Entity	
A2	Financially Responsible Party letters of support (as required) (Exhibit C, Section 2.0)	Financial Proposal Volume 1 of 2 Section A2 for each Entity	
A3	For publicly held companies, most recent SEC 10-K and 10-Q reports and any 8-Ks filed since the SOQs (Exhibit C, Section 2.0)	Financial Proposal Volume 1 of 2 Section A3 for each Entity	
A4	Credit Ratings (Exhibit C, Section 2.0)	Financial Proposal Volume 1 of 2 Section A4 for each Entity	
A5	Letter regarding material change in financial condition since submission of the SOQ and for next reporting period (Exhibit C, Section 2.0)	Financial Proposal Volume 1 of 2 Section A5 for each Entity	
A6	Letter disclosing all material off balance sheet liabilities (Exhibit	Financial Proposal Volume 1 of 2 Section A6 for each Entity	

	Financial Proposal Component	Location of information within submission documentation	
		Document Reference	Financial Model Sheet Reference
	C, Section 2.0)		
B	**Financial Plan** (Exhibit C, Section 3.0)		
B1	Financial Plan Executive Summary (Exhibit C, Section 3.1)		
B1	Identity of Financial Institution (Exhibit C, Section 3.2)		
B2	Range of Financing Sources (Exhibit C, Section 3.3)		
B3	Details for Core Lender(s) and Lead Underwriter(s) Commitment Letters (Exhibit C, Section 3.4)		
B4	[Reserved]		
B5	Details of Equity Source and letters from Equity Members (Exhibit C, Section 3.5)		
B6	Financial Advisor letter (Exhibit C, Section 3.6)		
B7	Schedule for Commercial and Financial Close (Exhibit C, Section 3.7)		
B8	Summary Cost Table and Financial Plan Summary Forms (Forms O and P, Exhibit C, Section 3.8)		
C	**MAP Proposal (Form J)** (Exhibit C, Section 4.0)		
D	**Financial Model** (Exhibit C, Section 5.0)		

	Financial Proposal Component	Location of information within submission documentation	
		Document Reference	**Financial Model Sheet Reference**
D1	Financial Model (Exhibit C, Section 5.1 to 5.2)		
D2	Financial Model Assumptions Book (Exhibit C, Section 5.3)		
D3	Instructions on operations of the Financial Model (Exhibit C, Section 5.4)		
E	**Cost and Pricing Data** (Exhibit C, Section 6.0) (to be submitted to escrow)		
F	**Independent Insurance Broker/Consultant Letter** (Exhibit C, Section 7.0)		

FINANCIAL CAPACITY INFORMATION

Pursuant to the Section 2.0 of Exhibit C of the ITP, please find required financial capacity information for the following entities:

Entity	Role
Bilfinger Berger PI International Holding GmbH	Equity Member
Bilfinger SE	Financially Responsible Party for Bilfinger Berger PI International Holding GmbH
VINCI Concessions S.A.S.	Equity Member
VINCI Construction Grands Projets	Design-Build Contractor
Walsh Construction Company	Design-Build Contractor
The Walsh Group, Ltd.	Financially Responsible Party for • Walsh Construction Company as Design-Build Contractor • Walsh Investors, LLC as Equity Member
Walsh Investors, LLC	Equity Member

The Proposer is WVB East End Partners, an unincorporated consortium composed of Walsh Investors, LLC, VINCI Concessions S.A.S. and Bilfinger Berger PI International Holding GmbH, each company holds a 1/3 interest in the Proposer. If designated the Preferred Proposer by the IFA, the Proposer will form an LLC, in which the Equity Members listed above will each hold a 1/3 interest, to act as the Developer.

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A. (2.0) UPDATED FINANCIAL INFORMATION (BY ENTITY)

FINANCIAL PROPOSAL | VOLUME 1

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A. Updated Financial Information WVB East End Partners - Proposer

With regards to the East End Crossing RFP – Exhibit C:

Updated Financial Information – Proposer

The Proposer is WVB East End Partners, an unincorporated consortium composed of Walsh Investors, LLC, VINCI Concessions S.A.S. and Bilfinger Berger PI International Holding GmbH, each company holds a 1/3 interest in the Proposer. If designated the Preferred Proposer by the IFA, the Proposer will form an LLC, in which the Equity Members listed above will each hold a 1/3 interest, to act as the Developer.

A. Updated Financial Information Bilfinger Berger PI International Holding GmbH - Equity Member

CONFIDENTIAL

BILFINGER BERGER
Project Investments

Bilfinger Berger PI
International Holding GmbH
Gustav-Stresemann-Ring 1
65189 Wiesbaden
Germany

Phone ++49 (0) 611 33480-0
www.pi.bilfinger.com

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
United States of America
Attention: Silvia Perez

Wiesbaden, 24th October 2012

Dear Ms. Perez

Re: The East End Crossing (Louisville-Sothern Indiana Ohio River Bridges Project) (the "Project") Request for Proposals

We are writing in response to the Indiana Finance Authority's Request for Proposals ("RFP") to develop, design, construct, finance, operate and maintain the above mentioned Project. We provide this letter in accordance with the requirements of Exhibit C, Part 2.0(3)(e) "Material Changes in Financial Condition" and Part 2.0(3)(f) "Off-Balance Sheet Liabilities" of the RFP. Also enclosed in this submission are interim financial statements for Bilfinger SE (formerly Bilfinger Berger SE with a legal name change effective September 21, 2012) for the periods ended March 31, 2012 and June 30, 2012.

Bilfinger Berger PI International Holding GmbH is hereby pleased to confirm that:

i. No material change in the financial position of Bilfinger Berger PI International Holding GmbH has occurred since the submission of the SOQ;

ii. No material off-balance sheet liabilities in excess of US$25 million dollars for Bilfinger Berger PI International Holding GmbH; and

iii. No public credit ratings exist for Bilfinger Berger PI International Holding GmbH.

Yours sincerely,

for **Bilfinger Berger PI International Holding GmbH**

Per:

Name: Dagmar Rehm
Title: CFO

A1. Financial Statements

With regards to the East End Crossing RFP – Exhibit C, Section 2.0:

Financial Statements

NOTE: The audited financial statement for period ending December 31, 2011 was included with the Statement of Qualification (SOQ), and therefore no audited financial statements for Bilfinger Berger PI International Holding GmbH are included in the Proposal per the RFP.

A2. Financially Responsible Letter

With regards to the East End Crossing RFP – Exhibit C, Section 2.0.3.b:

Financially Responsible Party Letter of Support

Bilfinger Berger PI International Holding GmbH, as an Equity Member, shall fund its equity contribution in full at Financial Close, and therefore no Financially Responsible Party Letter of Support is required for this Proposal in accordance with the RFP.

A3. SEC Filings

With regards to the East End Crossing RFP – Exhibit C, Section 2.0.3.c:

SEC Filings

Bilfinger Berger PI International Holding GmbH, as an Equity Member, does not file reports with the Security and Exchange Commission, and therefore there are no Form 10K, Form 10Q, or Form 8-K required for this Proposal in accordance with the RFP.

A4. Credit Ratings

CONFIDENTIAL

BILFINGER BERGER
Project Investments

Bilfinger Berger PI
International Holding GmbH
Gustav-Stresemann-Ring 1
65189 Wiesbaden
Germany

Phone ++49 (0) 611 33480-0
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Bilfinger Berger PI International Holding GmbH is hereby pleased to confirm that:

i. No material change in the financial position of Bilfinger Berger PI International Holding GmbH has occurred since the submission of the SOQ;

ii. No material off-balance sheet liabilities in excess of US$25 million dollars for Bilfinger Berger PI International Holding GmbH; and

iii. No public credit ratings exist for Bilfinger Berger PI International Holding GmbH.

Yours sincerely,

for **Bilfinger Berger PI International Holding GmbH**

Per:

Name: Dagmar Rehm
Title: CFO

A5. Material Changes in Financial Condition

CONFIDENTIAL

BILFINGER BERGER
Project Investments

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
United States of America
Attention: Silvia Perez

Bilfinger Berger PI
International Holding GmbH
Gustav-Stresemann-Ring 1
65189 Wiesbaden
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Phone ++49 (0) 611 33480-0
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Bilfinger Berger PI International Holding GmbH is hereby pleased to confirm that:

i. No material change in the financial position of Bilfinger Berger PI International Holding GmbH has occurred since the submission of the SOQ;

ii. No material off-balance sheet liabilities in excess of US$25 million dollars for Bilfinger Berger PI International Holding GmbH; and

iii. No public credit ratings exist for Bilfinger Berger PI International Holding GmbH.

Yours sincerely,

for **Bilfinger Berger PI International Holding GmbH**

Per:

Name: Dagmar Rehm
Title: CFO

A6. Off-Balance Sheet Liabilities

CONFIDENTIAL

BILFINGER BERGER
Project Investments

Bilfinger Berger PI
International Holding GmbH
Gustav-Stresemann-Ring 1
65189 Wiesbaden
Germany

Phone ++49 (0) 611 33480-0
www.pi.bilfinger.com

Indiana Finance Authority
One North Capitol Avenue, Suite 900
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Bilfinger Berger PI International Holding GmbH is hereby pleased to confirm that:

i. No material change in the financial position of Bilfinger Berger PI International Holding GmbH has occurred since the submission of the SOQ;

ii. No material off-balance sheet liabilities in excess of US$25 million dollars for Bilfinger Berger PI International Holding GmbH; and

iii. No public credit ratings exist for Bilfinger Berger PI International Holding GmbH.

Yours sincerely,

for **Bilfinger Berger PI International Holding GmbH**

Per:

Name: Dagmar Rehm
Title: CFO

A. Updated Financial Information Bilfinger SE - Financially Responsible Party

CONFIDENTIAL

BILFINGER

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
United States of America

Attention: Silvia Perez

Executive Board

Mannheim, October 24, 2012

Dear Ms. Perez,

Re: The East End Crossing (Louisville-Sothern Indiana Ohio River Bridges Project) (the "Project") Request for Proposals

We are writing in response to the Indiana Finance Authority's Request for Proposals ("RFP") to develop, design, construct, finance, operate and maintain the above-mentioned Project.
We provide this letter in accordance with the requirements of Exhibit C, Part 2.0(3)(e) "Material Changes in Financial Condition" and Part 2.0(3)(f) "Off-Balance Sheet Liabilities" of the RFP. Also enclosed in this submission are interim financial statements for Bilfinger SE (formerly Bilfinger Berger SE with a legal name change effective September 21, 2012) for the periods ended March 31, 2012 and June 30, 2012.

Bilfinger SE is hereby pleased to confirm that:

i. No material change in the financial position of Bilfinger SE has occurred since the submission of the SOQ;

ii. No material off-balance sheet liabilities in excess of US$25 million dollars for Bilfinger SE; and

iii. Since October 23, 2012 Bilfinger SE is rated BBB+ by Standard & Poor's.

Yours sincerely,

For Bilfinger SE

Thomas Töpfer
(Member of the Executive Board)

Michael Piel
(Vice President Group Treasury)

Bilfinger SE

Carl-Reiß-Platz 1-5
68165 Mannheim
Germany

Corporate Headquarters and Registered Office
Mannheim
District Court Mannheim
Register of Companies
HRB 710296

A1. Financial Statements

With regards to the East End Crossing RFP – Exhibit C, Section 2.0:

Financial Statements

Attached are the following financial statements for Bilfinger SE in accordance with the RFP:

- Unaudited Interim Financial Statement for period ending March 31, 2012
- Unaudited Interim Financial Statement for period ending June 30, 2012

NOTE: The audited financial statement for period ending December 31, 2011 was included with the Statement of Qualification (SOQ), and therefore no audited financial statements for Bilfinger SE are included in the Proposal.

The unaudited interim financial statements for Bilfinger SE included with the Financial Proposal are confidential and have been REDACTED.

A2. Financially Responsible Letter

With regards to the East End Crossing RFP – Exhibit C, Section 2.0.3.b:

Financially Responsible Party Letter of Support

Not Applicable for Bilfinger SE

A3. SEC Filings

With regards to the East End Crossing RFP – Exhibit C, Section 2.0.3.c:

SEC Filings

Bilfinger SE, as a Financially Responsible Party for Bilfinger Berger PI International Holding GmbH, Equity Member, does not file reports with the Security and Exchange Commission, and therefore there are no Form 10K, Form 10Q, or Form 8-K required for this Proposal in accordance with the RFP.

A4. Credit Ratings

CONFIDENTIAL

News Release

BILFINGER

October 23, 2012

Very good initial rating for Bilfinger

- **Investment grade rating: BBB+ with a stable outlook**
- **Important milestone for the continued development of the company**
- **Rating underlines the stability of the business model and the solidity of the financial policy**

The rating agency Standard & Poor's has given the engineering and services Group Bilfinger a strong credit rating and expects the company to also develop successfully in the future. "The good rating is positive acknowledgment of the strategic course of our company and our solid financial policy", says Chief Financial Officer Joachim Müller. The assessment is solidly in the investment-grade area and provides Bilfinger broad access to the debt capital markets.

For the first time, Standard & Poor's has assessed Bilfinger's financial position, business model and strategy for the future, and has given the company a BBB+ investment-grade rating.

In recent years, Bilfinger has developed into a successful engineering and services group for industrial facilities, power plants, real estate and infrastructure. The company has thus benefited from its wide range of services and its international presence. Bilfinger is pursuing its strategy of targeted expansion in its services business and a further strengthening of its international activities. The strategic program BEST (Bilfinger Escalates Strength) is geared toward opening up additional growth potential on the basis of intensified cooperation among all Group units and new, comprehensive service offerings.

Bilfinger SE

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68165 Mannheim
Germany

Contact
Sascha Bamberger
Phone +49 621 459-2455
Fax +49 621 459-2500
sascha.bamberger@bilfinger.com
www.bilfinger.com

Bilfinger SE is a leading international engineering and services company. With comprehensive technological expertise and the experience of 65,000 employees the company offers customized services for industrial plants, power plants, real estate and infrastructure. In its business segments Industrial Services, Power Services, Building and Facility Services, Construction and Concessions, Bilfinger generates an annual output volume of €8.5 billion.

1SPC) X-S&P Rates Germany-Based Bilfinger 'BBB+/A-2'; Outlook St able

+--+

X-S&P Rates Germany-Based Bilfinger 'BBB+/A-2'; Outlook Stable
2012-10-23 08:29:07.311 GMT

-- Bilfinger SE is a leading European engineering and services provider. It benefits from leading market positions through an integrated service offering and has a diverse customer base with fairly stable contracts.
-- We are assigning our 'BBB+/A-2' ratings to Bilfinger, reflecting our assessment of the company's "satisfactory" business risk profile and "modest" financial risk profile.
-- The stable outlook reflects Bilfinger's relatively resilient business and solid capital structure.

FRANKFURT (Standard & Poor's) Oct. 23, 2012--Standard & Poor's Ratings Services said today it had assigned its 'BBB+' long-term and 'A-2' short-term corporate credit ratings to Germany-based service and engineering company Bilfinger SE. The outlook is stable.

The ratings on Bilfinger reflect our view of the group's "satisfactory" business risk profile and "modest" financial risk profile as defined in our criteria.

Bilfinger's "satisfactory" business risk profile is supported by the group's sizable exposure to service operations in its industrial services, power services, and building and facility services segments, which generated almost 80% of the company's output volume in 2011. We consider Bilfinger's broad and integrated service offering and its critical scale in those fragmented and competitive markets to be an advantage that should allow the group to show a relatively stable operating performance during economic downturns. We believe that the group will also benefit from its broad customer diversity, underpinned by long-standing relationships and a wide variety of contracts, a significant proportion of which extend over a number of years, providing the company with sound revenue visibility.

Bilfinger's business risk profile is tempered, however, by what we consider to be the limited price flexibility of its industrial and facility services operations, owing to intense competition from small and midsize local companies. This is reflected in the relatively low reported EBITDA margins of 4.5%-7.0% in these divisions over the past three years. The company is also restricted by its exposure to the construction industry. However, its strategy of focusing on smaller projects within specialty construction activities should lead to a more stable earnings performance in the future, in our view.
We also note that the group's exposure to construction risk has reduced significantly over recent years in line with its strategy to diversify beyond the traditional construction business. Furthermore, the group is less diverse geographically than most of its peers, with about 80% of its 2011 output generated in Europe.

We assess Bilfinger's financial risk profile as "modest," owing to its strong balance sheet (with debt to EBITDA consistently below 2x over the past few years), which gives the group some leeway to pursue expansion, both internally and through small to midsize acquisitions. Furthermore, we consider the company's publicly communicated financial policy of maintaining debt to EBITDA at less than 2.5x and funds from operations (FFO) to debt at more than 40% at all times (including debt adjustments for pensions, operating leases, and cash to support the ongoing operations) as an additional support for the financial risk profile.

However, we view the group's shareholder-oriented dividend policy, with a sustained dividend payout ratio of 50%, and its track record of volatile free cash flows as constraints in our assessment. Our credit analysis of Bilfinger focuses on what we consider to be the core group that covers the service and construction activities. Therefore, when assessing the group's financial risk profile, we factor in recourse debt and exclude nonrecourse debt related to the group's concession business. We also exclude earnings and cash flows generated from the concession business, but include dividends received.

In our base-case scenario for 2012 and 2013, we anticipate that Bilfinger will withstand the depressed economic environment in Europe and exhibit a marginally positive increase in volumes, despite a planned reduction in construction volumes, thanks to its resilient service operations and a solid order backlog as of June 30, 2012, that covered 0.9x of output volumes for the past 12 months. We also forecast stable operating margins: an adjusted EBITDA margin of about 6% (in line with 2011 levels). Beyond 2013, we expect Bilfinger's operating margin to increase gradually on the back of improving market conditions and additional efficiency gains.

For 2012 and 2013, under our base-case scenario, Bilfinger should be able to maintain ratios of adjusted debt to EBITDA of about 1.5x and adjusted FFO to debt at about 60%, assuming the group will continue to pursue bolt-on, midsize acquisitions to strengthen its service operations. In 2011, Bilfinger's ratio of FFO to debt exceeded 100%, and debt to EBITDA was a low 0.7x. These metrics are well in line with a "modest" financial risk profile, according to our criteria. We estimate that reported free operating cash flows in 2012 will be between EUR50 million and EUR100 million, due to higher expected working capital buildup. This is somewhat lower than the about EUR150 million recorded in 2011, but we anticipate a rebound as of 2013.

The stable outlook reflects our opinion that Bilfinger will be able to maintain a financial risk profile consistent with the 'BBB+' rating, while following its acquisition strategy, assuming no material changes to the business risk profile. We consider credit ratios, such as adjusted FFO to debt of more than 45% and adjusted debt to EBITDA of less than 2x, to be rating commensurate. We estimate that even if revenue growth stays flat in 2013, the group's flexible cost structure should allow it to maintain or slightly improve its EBITDA margin from the fully adjusted 6% it generated in 2011.

We could lower the rating if Bilfinger were to engage in sizable debt-financed acquisitions, combined with a marked operating weakness, leading to a deterioration of the operating margin by more than 200 basis points below our base case. This could stem for instance from a more pronounced economic downturn than we currently anticipate or project failures at the group's construction division.

Rating upside is limited at this stage due to the group's exposure to potential one-time risks to the remaining construction business, acquisitive growth strategy, and shareholder-friendly dividend payouts. Given the company's strategy, we anticipate that Bilfinger will continue using its financial flexibility primarily to consolidate its industry through acquisitions to further enhance its geographic diversity. As a result, we believe its credit ratios will likely weaken somewhat from those of 2011, which were however strong for the ratings; therefore a near-term rating change is unlikely.

RELATED CRITERIA AND RESEARCH

-- Methodology: Business Risk/Financial Risk Matrix Expanded, Sept. 18, 2012

-- Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Sept. 28, 2011

-- 2008 Corporate Criteria: Analytical Methodology, April 15, 2008

-- 2008 Corporate Criteria: Ratios And Adjustments, April 15, 2008

-- Corporate Criteria--Parent/Subsidiary Links; General Principles; Subsidiaries/Joint Ventures/Nonrecourse Projects; Finance Subsidiaries; Rating Link to Parent, Oct. 28, 2004

Complete ratings information is available to subscribers of RatingsDirect on the Global Credit Portal at www.globalcreditportal.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column. Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow 7 (495) 783-4009.

Primary Credit Analyst: Anna Stegert, Frankfurt (49) 69-33-999-128;
anna_stegert@standardandpoors.com Secondary Contact:
Werner Staeblein, Frankfurt (49) 69-33-999-130;
werner_staeblein@standardandpoors.com
Additional Contact: Industrial Ratings Europe;
CorporateFinanceEurope@standardandpoors.com

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A5. Material Changes in Financial Condition

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BILFINGER

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
United States of America

Attention: Silvia Perez

Executive Board

Mannheim, October 24, 2012

Dear Ms. Perez,

Re: The East End Crossing (Louisville-Sothern Indiana Ohio River Bridges Project) (the "Project")
Request for Proposals

We are writing in response to the Indiana Finance Authority's Request for Proposals ("RFP") to develop, design, construct, finance, operate and maintain the above-mentioned Project.
We provide this letter in accordance with the requirements of Exhibit C, Part 2.0(3)(e) "Material Changes in Financial Condition" and Part 2.0(3)(f) "Off-Balance Sheet Liabilities" of the RFP. Also enclosed in this submission are interim financial statements for Bilfinger SE (formerly Bilfinger Berger SE with a legal name change effective September 21, 2012) for the periods ended March 31, 2012 and June 30, 2012.

Bilfinger SE is hereby pleased to confirm that:

i. No material change in the financial position of Bilfinger SE has occurred since the submission of the SOQ;

ii. No material off-balance sheet liabilities in excess of US$25 million dollars for Bilfinger SE; and

iii. Since October 23, 2012 Bilfinger SE is rated BBB+ by Standard & Poor's.

Yours sincerely,

For Bilfinger SE

Thomas Töpfer
(Member of the Executive Board)

Michael Piel
(Vice President Group Treasury)

Bilfinger SE

Carl-Reiß-Platz 1-5
68165 Mannheim
Germany

Corporate Headquarters and
Registered Office
Mannheim
District Court Mannheim
Register of Companies
HRB 710296

Chairman of the
Supervisory Board
Dr. h.c. Bernhard Walter

Executive Board
Roland Koch, Chairman
Joachim Enenkel
Joachim Müller
Klaus Raps
Thomas Töpfer

A6. Off-Balance Sheet Liabilities

CONFIDENTIAL

BILFINGER

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
United States of America

Attention: Silvia Perez

Executive Board

Mannheim, October 24, 2012

Dear Ms. Perez,

Re: The East End Crossing (Louisville-Sothern Indiana Ohio River Bridges Project) (the "Project")
Request for Proposals

We are writing in response to the Indiana Finance Authority's Request for Proposals ("RFP") to develop, design, construct, finance, operate and maintain the above-mentioned Project.
We provide this letter in accordance with the requirements of Exhibit C, Part 2.0(3)(e) "Material Changes in Financial Condition" and Part 2.0(3)(f) "Off-Balance Sheet Liabilities" of the RFP. Also enclosed in this submission are interim financial statements for Bilfinger SE (formerly Bilfinger Berger SE with a legal name change effective September 21, 2012) for the periods ended March 31, 2012 and June 30, 2012.

Bilfinger SE is hereby pleased to confirm that:

i. No material change in the financial position of Bilfinger SE has occurred since the submission of the SOQ;

ii. No material off-balance sheet liabilities in excess of US$25 million dollars for Bilfinger SE; and

iii. Since October 23, 2012 Bilfinger SE is rated BBB+ by Standard & Poor's.

Yours sincerely,

For Bilfinger SE

Thomas Töpfer
(Member of the Executive Board)

Michael Piel
(Vice President Group Treasury)

Bilfinger SE

Carl-Reiß-Platz 1-5
68165 Mannheim
Germany

Corporate Headquarters and
Registered Office
Mannheim
District Court Mannheim
Register of Companies
HRB 710296

A. Updated Financial Information VINCI Concessions SAS - Equity Member

CONFIDENTIAL

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Rueil-Malmaison, 26th October 2012

Dear Ms. Perez

Re: The East End Crossing (Louisville-Sothern Indiana Ohio River Bridges Project) (the "Project") - Request for Proposals, Exhibit C, Section 2.0 (3) (e)-(f)

We are writing in response to the Indiana Finance Authority's Request for Proposals ("RFP") in relation to the Project. We provide this letter in accordance with the requirements of Exhibit C, Part 2.0(3)(e) "Material Changes in Financial Condition" and Part 2.0(3)(f) "Off-Balance Sheet Liabilities" of the RFP. Enclosed in the Financial Proposal are the latest financial statements for VINCI Concessions S.A.S for the period that ended December 31, 2011. No interim financial statements VINCI Concessions S.A.S have been published nor are available for the period starting January 1st 2012.

VINCI Concessions S.A.S is hereby pleased to confirm that:

i. No material change in the financial position of VINCI Concessions S.A.S, has occurred since the submission of the SOQ;

ii. The details of material off-balance sheet liabilities are presented in:
Section 11.3 "Other information on companies accounted for under the equity method - Commitments made by the Group to provide funding (Capital and /or subordinated debt)" (page 33)

Section 19.2 "Commitments made under concession contracts – intangible asset model (page 50)

Section 20.2 "Commitments made under concession and PPP contracts – financial asset and bifurcated models" (page 51) and

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Internet : www.vinci.com

on

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Section 23 "Contractual obligations and other off-balance sheet commitments" (page 53) of the notes to the 2011 consolidated IFRS financial statements of VINCI Concessions; and

iii. No public credit ratings exist for Vinci Concessions S.A.S.

Capitalized terms not otherwise defined herein shall have the meaning as set out in the RFP.

Yours sincerely,

Name: Olivier Mathieu

Title: Chief Financial and Asset Management Officer of VINCI Concessions SAS

9, place de l'Europe – F 92851 Rueil Malmaison Cedex
Tel : +33 1 47 16 35 00 – Fax : +33 1 47 51 53 53
Internet : www.vinci.com

A1. Financial Statements

With regards to the East End Crossing RFP – Exhibit C, Section 2.0:

Financial Statements

Attached are the following financial statements for VINCI Concessions SAS in accordance with the RFP:

- Audited Financial Statement for year ending December 31, 2011

NOTE: No interim financial statements for VINCI Concessions SAS have been published nor are available for the period staring January 1, 2012

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Société par Actions Simplifiée

9 place de l'Europe
92500 Rueil-Malmaison

Certificate of the statutory auditor of VINCI Concessions concerning the conversion in US Dollars of VINCI Concessions consolidated income statement, balance sheet and cash flow statement for the year ended December 31, 2011

Deloitte.

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92500 Rueil-Malmaison

Certificate of the statutory auditor of VINCI Concessions concerning the conversion in US Dollars of VINCI Concessions consolidated income statement, balance sheet and cash flow statement for the year ended December 31, 2011

To Mr Olivier Mathieu, Chief Financial and Asset Management Officer of VINCI Concessions

As statutory auditor of VINCI Concessions and at your request, we have examined the information contained in the accompanying document and prepared in the context of the "Request for proposals to develop, design, construct, finance, operate and maintain the East End Crossing (Louisville-Southern Indiana Ohio River Bridges Project)" issued by the Indiana Finance Authority on July 31, 2012.

This information was prepared under the responsibility of Mr Olivier Mathieu, Chief Financial Officer and Asset Management of VINCI Concessions.

It is our responsibility to report on the Euro to US Dollars conversion of the consolidated income statement, balance sheet and cash flow statement for the year ended December 31, 2011, using the exchange rates determined by the VINCI Concessions management and stated in the accompanying document.

It is not, however, our responsibility to challenge the assumptions of VINCI Concessions management used in the preparation of this accompanying document.

Société anonyme au capital de 1 723 040 €
Société d'Expertise Comptable inscrite au Tableau de l'Ordre du Conseil Régional de Paris Ile-de-France
Société de Commissaires aux Comptes, membre de la Compagnie régionale de Versailles
572 028 041 RCS Nanterre
TVA : FR 02 572 028 041

Member of Deloitte Touche Tohmatsu Limited

VINCI CONCESSIONS

In the context of our role as statutory auditor, we have audited the consolidated financial statements of VINCI Concessions for the year ended as of December 31, 2011. Our audit was conducted in accordance with professional standards applicable in France, and were planned and performed solely for the purpose of forming an opinion on the consolidated financial statements taken as a whole and not on any individual items of the accounts used to determine the information. Accordingly, our audit tests and samples were not made with this objective and we do not express any opinion on any components of the accounts taken individually.

Furthermore, we have not performed any procedures to identify, any events subsequent to the issuance of our reports on the 2011 consolidated financial statements of VINCI Concessions.

Our examination, which constitutes neither an audit nor a review, was performed in accordance with professional standards applicable in France. For the purpose of this certificate, our work consisted in:

- performing the necessary reconciliations between the 2011 audited consolidated income statement, balance sheet and cash flow statement in Euro with the amounts in Euro stated in the accompanying document ;

- verifying the correct Euro to US Dollars arithmetical conversion of the 2011 consolidated income statement, balance sheet and cash flow statement disclosed in the accompanying document. We verified this conversion using the 2011 average and closing exchange rates Euros to US Dollars determined by VINCI Concessions and stated in the accompanying document.

On the basis of our procedures, we have nothing to report on the conversion in US Dollars of the consolidated income statement, balance sheet and cash flow statement for the year ended as of December 31, 2011 using the exchange rates stated by the VINCI Concessions management in the accompanying document.

This certificate was prepared for your attention in the context described above and must not be used, distributed or referred to for any other purpose.

Our work should not be taken to supplant any procedures that a third party recipient of this certificate should otherwise carry out for their own requirements. As statutory auditor of your company, our responsibility towards the company and its shareholders is defined by French law and we do not accept any additional responsibility beyond that set out in French law.

In no event shall Deloitte & Associés be held responsible for any damage, loss, cost or expense resulting from any fraudulent acts, misrepresentation of willful conduct on the part of the directors, management or employees of your company.

This certificate is governed by French law. The French courts have exclusive jurisdiction in relation to any claim, difference or dispute which may arise out of or in connection with our engagement letter or this certificate. Each party irrevocably waives any right it may have to object to an action being brought in any of those Courts, to claim that the action has been brought in an inconvenient forum or to claim that those Courts do not have jurisdiction.

Neuilly-sur-Seine, October 11, 2012

Joint statutory auditor

DELOITTE & ASSOCIES

Mansour BELHIBA

Consolidated income statement for the period

'in € millions)	2011	2010
evenue (*)	**2 769,6**	**1 968,2**
oncession subsidiaries' revenue derived from works	*460,8*	*227,2*
otal revenue	*3 230,5*	*2 195,4*
evenue from ancillary activities	11,2	19,6
perating expenses	(2 246,7)	(1 466,5)
perating income from ordinary activities	**995,0**	**748,6**
hare-based payment expense (IFRS 2)	(8,1)	(3,8)
ioodwill impairment expense		
'rofit/(loss) of companies accounted for under the equity method	30,2	48,1
perating income	**1 017,0**	**792,9**
ost of gross financial debt	(362,9)	(223,5)
'inancial income from cash investments	16,1	8,4
:ost of net financial debt	**(346,8)**	**(215,1)**
)ther financial income	34,6	47,1
)ther financial expense	(21,1)	(72,6)
ncome tax expense	(330,5)	(181,9)
let income for the period	**353,3**	**370,3**
let income for the period attributable to non-controlling interests	65,7	57,8
let income for the period attributable to owners of the parent	**287,6**	**312,5**
:arnings per share attributable to owners of the parent	**0,75**	**1,07**

(*) Excluding concession subsidiaries' revenue derived from works

exchange Rate	1,392002	1,326656
(in USD millions)	2011	2010
Revenue (*)	**3 855,3**	**2 611,1**
Concession subsidiaries' revenue derived from works	*641,5*	*301,4*
Total revenue	*4 496,8*	*2 912,6*
Revenue from ancillary activities	15,6	26,1
Operating expenses	(3 127,4)	(1 945,5)
Operating income from ordinary activities	**1 385,0**	**993,1**
Share-based payment expense (IFRS 2)	(11,3)	(5,0)
Goodwill impairment expense		
Profit/(loss) of companies accounted for under the equity method	42,1	63,8
Operating income	**1 415,7**	**1 051,9**
Cost of gross financial debt	(505,2)	(296,5)
Financial income from cash investments	22,4	11,1
Cost of net financial debt	**(482,7)**	**(285,4)**
Other financial income	48,2	62,5
Other financial expense	(29,4)	(96,4)
Income tax expense	(460,0)	(241,4)
Net income for the period	**491,8**	**491,3**
Net income for the period attributable to non-controlling interests	91,4	76,7
Net income for the period attributable to owners of the parent	**400,3**	**414,5**
Earnings per share attributable to owners of the parent	**1,04**	**1,42**

11. oct. 2012

Olivier Mathieu
Chief Financial and Asset Management Officer
Vinci Concessions SAS

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CONSOLIDATED FINANCIAL STATEMENTS

Consolidated balance sheet

Assets

'in € millions)	Notes	31/12/2011	31/12/2010
on-current assets			
oncession intangible assets	9	23 796,2	6 919,6
oodwill	10-13	2 298,1	361,4
ther intangible assets	11	74,8	25,8
roperty, plant and equipment	12	1 557,1	873,6
nvestment property		0,5	0,5
nvestments in companies accounted for under the equity method	14	138,4	524,9
ther non-current financial assets	15	870,4	399,4
eferred tax assets (non-current)	7	384,8	154,5
otal non-current assets		**29 120,3**	**9 259,8**
urrent assets			
nventories and work in progress	18	12,5	3,0
rade receivables	18	451,9	168,2
ther current operating assets	18	325,5	185,8
urrent tax assets	7	13,5	8,4
eferred tax assets (current)	7	33,1	12,2
ther current financial assets		303,8	160,2
ash management financial assets	19	436,1	59,0
ash and cash equivalents	19	415,9	447,6
otal current assets (before assets classified as held for sale)		**1 992,1**	**1 044,5**
otal current assets		**1 992,1**	**1 044,5**
otal assets		**31 112,4**	**10 304,3**

exchange Rate		1,2939	1,3362
(in USD millions)	Notes	31/12/2011	31/12/2010
Non-current assets			
Concession intangible assets	9	30 789,9	9 246,0
Goodwill	10-13	2 973,5	482,9
Other intangible assets	11	96,7	34,5
Property, plant and equipment	12	2 014,7	1 167,3
Investment property		0,6	0,7
Investments in companies accounted for under the equity method	14	179,1	701,4
Other non-current financial assets	15	1 126,2	533,7
Deferred tax assets (non-current)	7	497,8	206,5
Total non-current assets		**37 678,7**	**12 373,0**
Current assets			
Inventories and work in progress	18	16,1	4,1
Trade receivables	18	584,7	224,7
Other current operating assets	18	421,1	248,3
Current tax assets	7	17,5	11,2
Deferred tax assets (current)	7	42,9	16,3
Other current financial assets		393,0	214,1
Cash management financial assets	19	564,2	78,9
Cash and cash equivalents	19	538,1	598,0
Total current assets (before assets classified as held for sale)		**2 577,6**	**1 395,6**
Total current assets		**2 577,6**	**1 395,6**
Total assets		**40 256,4**	**13 768,6**

11.oct. 2012

Olivier Mathieu
Chief Financial and Asset Management Officer
Vinci Concessions SAS

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Consolidated balance sheet

Equity and liabilities

in € millions)	Notes	31/12/2011	31/12/2010
quity			
hare capital	16.1	4 306,9	3 275,5
hare premium		1 798,2	917,8
onsolidated reserves		(3 362,3)	(2 215,9)
urrency translation reserves		(8,6)	(10,5)
et income for the period attributable to owners of the parent		287,6	312,5
mounts recognised directly in equity		(383,0)	(144,2)
quity attributable to owners of the parent		**2 638,8**	**2 135,1**
on-controlling interests	16.3	2 824,3	390,3
otal equity		**5 463,1**	**2 525,4**
on-current liabilities			
on-current provisions	17	521,3	236,9
onds	19	6 908,1	2 244,8
ther loans and borrowings	19	10 462,5	3 253,8
ther non-current liabilities		18,6	112,1
eferred tax liabilities (non-current)	7	2 455,1	396,7
otal non-current liabilities		**20 365,6**	**6 244,3**
urrent liabilities			
urrent provisions	18.2	581,3	232,1
rade payables	18.1	228,5	155,1
ther current payables	18.1	1 165,2	390,8
urrent tax liabilities	7	184,9	24,3
eferred tax liabilities (current)	7	35,5	19,5
urrent borrowings	19	3 088,4	712,8
otal current liabilities (before liabilities classified as held for ale)		**5 283,7**	**1 534,6**
otal current liabilities		**5 283,7**	**1 534,6**
otal equity and liabilities		**31 112,4**	**10 304,3**

CONSOLIDATED FINANCIAL STATEMENTS

exchange Rate		1,2939	1,3362
(in USD millions)	Notes	31/12/2011	31/12/2010
Equity			
Share capital	16.1	5 572,7	4 376,7
Share premium		2 326,6	1 226,3
Consolidated reserves		(4 350,5)	(2 960,9)
Currency translation reserves		(39,4)	(11,0)
Net income for the period attributable to owners of the parent		400,3	414,5
Amounts recognised directly in equity		(495,5)	(192,7)
Equity attributable to owners of the parent		**3 414,3**	**2 852,9**
Non-controlling interests	16.3	3 654,4	521,5
Total equity		**7 068,7**	**3 374,4**
Non-current liabilities			
Non-current provisions	17	674,6	316,5
Bonds	19	8 938,4	2 999,5
Other loans and borrowings	19	13 537,4	4 347,7
Other non-current liabilities		24,1	149,8
Deferred tax liabilities (non-current)	7	3 176,6	530,1
Total non-current liabilities		**26 351,0**	**8 343,6**
Current liabilities			
Current provisions	18.2	752,1	310,1
Trade payables	18.1	295,6	207,3
Other current payables	18.1	1 507,6	522,2
Current tax liabilities	7	239,2	32,5
Deferred tax liabilities (current)	7	45,9	26,1
Current borrowings	19	3 996,1	952,4
Total current liabilities (before liabilities classified as held for sale)		**6 836,6**	**2 050,6**
Total current liabilities		**6 836,6**	**2 050,6**
Total equity and liabilities		**40 256,4**	**13 760,6**

11. oct. 2012

Olivier Mathieu
Chief Financial and Asset Management Officer
Vinci Concessions SAS

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nsolidated cash flow statement

illions d'euros)	Notes	2011	2010
olidated net income for the period (including non-rolling interests)		**353,3**	**370,3**
depreciation and amortisation	4.1	557,0	320,6
increase/(decrease) in provisions		77,0	62,5
e-based payments (IFRS 2) and other restatements		(2,3)	(0,5)
or loss on disposals		(3,3)	3,9
ge in fair value of financial instruments		0,3	(1,1)
e of profit or loss of companies accounted for under the ty method, dividends received from unconsolidated anies and profit or loss from operations classified as for sale		(36,2)	(53,2)
talised borrowing costs		(15,0)	(36,0)
of net financial debt recognised	5	346,8	215,1
ent and deferred tax expense recognised	7.1	330,5	181,9
flows (used in)/from operations before tax and ncing costs	2-3	**1 608,1**	**1 063,6**
ges in working capital requirement and current		27,2	11,4
me taxes paid		(301,6)	(260,3)
interest paid		(330,0)	(223,5)
dends received from companies accounted for under the		8,5	58,1
flows (used in)/from operating activities	I	**1 012,2**	**649,3**
hases of property, plant and equipment, and intangible		*(39,6)*	*(29,6)*
eeds from sales of property, plant and equipment, and		*1,0*	*1,0*
operating investments		**(38,6)**	**(28,6)**
ating cash flow		***973,6***	***620,7***
stments in concession fixed assets (net of grants received)		*(472,8)*	*(174,5)*
ncial receivables (PPP contracts and others)		*(2,2)*	*(15,2)*
stments in concessions and PPP contracts		**(475,0)**	**(189,8)**
cash flow		***498,6***	***430,9***
hases of shares in subsidiaries and affiliates (consolidated and		*(19,8)*	*(10,4)*
eeds from sales of shares in subsidiaries and affiliates (consolidated		*1,1*	*7,7*
effect of changes in scope of consolidation		*(11 650,4)*	*(4,2)*
financial investments		**(11 669,2)**	**(6,9)**
r		23,8	(30,5)
cash flows (used in)/from investing activities	II 2	**(12 158,9)**	**(255,9)**
ges in share capital		2 015,0	
controlling interests in changes in subsidiaries' share capital		(2 013,8)	0,0
ges in shareholdings without acquisition or loss of control of			
dends paid			
shareholders of VINCI Concessions		*(1 141,3)*	*(143,3)*
non-controlling interests		*(822,1)*	*(37,6)*
eeds from new borrowings		158,4	16,5
yment of borrowings and changes in other current financial debt		450,7	(2,2)
ge in cash management assets			
cash flows (used in)/from financing activities	III	**(1 353,1)**	**(166,5)**
ge in net cash	I+II+III	**(12 499,8)**	**226,9**
cash and cash equivalents at beginning of period		41,7	(185,4)
r changes		12 361,8	0,1
cash and cash equivalents at end of period	19	**(96,3)**	**41,7**
ease/(decrease) of cash management financial assets		0,0	0,0
ceeds from)/repayment of loans		(609,1)	(14,4)
r changes		(12 507,5)	(23,8)
ge in net financial debt		(13 254,5)	188,9
financial debt at beginning of period		**(5 629,1)**	**(5 818,1)**
financial debt at end of period	19	**(18 883,7)**	**(5 629,1)**

		2011	2010
exchange Rate (P&L)		1,392002	1,326656
exchange Rate (BS)		1,2939	1,3362
(in USD millions)	Notes	2011	2010
Consolidated net income for the period (including non-controlling interests)		**491,8**	**491,3**
Net depreciation and amortisation	4.1	775,3	425,4
Net increase/(decrease) in provisions		107,2	82,9
Share-based payments (IFRS 2) and other restatements		(3,2)	(0,7)
Gain or loss on disposals		(4,6)	5,2
Change in fair value of financial instruments		0,4	(1,4)
Share of profit or loss of companies accounted for under the equity method, dividends received from unconsolidated companies and profit or loss from operations classified as held for sale		(50,4)	(70,6)
Capitalised borrowing costs		(20,8)	(47,7)
Cost of net financial debt recognised	5	482,7	285,4
Current and deferred tax expense recognised	7.1	460,0	241,4
Cash flows (used in)/from operations before tax and financing costs	2-3	**2 238,4**	**1 411,0**
Changes in working capital requirement and current		37,8	15,1
Income taxes paid		(419,8)	(345,3)
Net interest paid		(459,4)	(296,5)
Dividends received from companies accounted for under the		11,9	77,0
Cash flows (used in)/from operating activities	I	**1 409,0**	**861,4**
Purchases of property, plant and equipment, and intangible		*(55,2)*	*(39,3)*
Proceeds from sales of property, plant and equipment, and		*1,5*	*1,3*
Net operating investments		**(53,7)**	**(37,9)**
Operating cash flow		***1 355,2***	***823,4***
Investments in concession fixed assets (net of grants received)		*(658,1)*	*(231,6)*
Financial receivables (PPP contracts and others)		*(3,0)*	*(20,2)*
Investments in concessions and PPP contracts		**(661,1)**	**(251,8)**
Free cash flow		***694,1***	***571,7***
Purchases of shares in subsidiaries and affiliates (consolidated and		*(27,6)*	*(13,9)*
Proceeds from sales of shares in subsidiaries and affiliates (consolidated		*1,5*	*10,3*
Net effect of changes in scope of consolidation		*(16 217,4)*	*(5,6)*
Net financial investments		**(16 243,5)**	**(9,2)**
Other		33,2	(40,5)
Net cash flows (used in)/from investing activities	II 2	**(16 925,2)**	**(339,4)**
Changes in share capital		2 804,9	0,0
Non-controlling interests in changes in subsidiaries' share capital		(2 803,2)	0,0
Changes in shareholdings without acquisition or loss of control of		0,0	0,0
Dividends paid		0,0	0,0
- to shareholders of VINCI Concessions		*(1 588,7)*	*(190,1)*
- to non-controlling interests		*(1 144,3)*	*(49,9)*
Proceeds from new borrowings		220,5	21,9
Repayment of borrowings and changes in other current financial debt		627,3	(2,9)
Change in cash management assets		0,0	0,0
Net cash flows (used in)/from financing activities	III	**(1 883,5)**	**(220,9)**
Change in net cash	I+II+III	**(17 399,7)**	**301,0**
Net cash and cash equivalents at beginning of period		55,7	(267,0)
Other changes		17 219,5	21,7
Net cash and cash equivalents at end of period	19	**(124,5)**	**55,7**
Increase/(decrease) of cash management financial assets		0,0	0,0
(Proceeds from)/repayment of loans		(847,9)	(19,0)
Other changes		(17 410,4)	(31,5)
Change in net financial debt		(16 911,9)	859,8
Net financial debt at beginning of period		**(7 521,7)**	**(8 381,5)**
Net financial debt at end of period	19	**(24 433,6)**	**(7 521,7)**

11-oct. 2012

Olivier Mathieu
Chief Financial and Asset Management Officer
Vinci Concessions SAS

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VINCI CONCESSIONS

A French Simplified Limited Liability Company (*Société par Actions Simplifiée*)

Report of the Statutory Auditors
on the consolidated financial statements

Year ended 31 December 2011
VINCI CONCESSIONS
A French Simplified Limited Liability Company (Société par Actions Simplifiée)
9, Place de l'Europe – 92500 Rueil-Malmaison
This report contains 62 pages
Reference: KD-112-108

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VINCI CONCESSIONS

A French Simplified Limited Liability Company (*Société par Actions Simplifiée*)

Registered office: 9, Place de l'Europe, 92500 Rueil-Malmaison
Share capital: €4,306,925,672

Report of the Statutory Auditors on the consolidated financial statements

Year ended 31 December 2011

To the Sole Shareholder,

In accordance with our appointment by you, we hereby report to you for the year ended 31 December 2011 on:

- the audit of the accompanying consolidated financial statements of VINCI Concessions S.A.S.;
- the justification of our assessments; and
- the specific verification required by law.

Your Chairman is responsible for preparation of the consolidated financial statements. Our role is to express an opinion on these financial statements, based on our audit.

1. Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit in such a way as to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit consists in examining, by sampling or other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also consists in assessing the accounting principles used, significant estimates made and the overall presentation of the financial statements. We believe that the information that we have collected provides a sufficient and appropriate basis for our opinion.

In our opinion, the consolidated financial statements for the period give a true and fair view of the financial position, the assets and liabilities, and the results of the group formed by the persons and entities included in the consolidation, in accordance with the International Financial Reporting Standards as endorsed by the European Union.

2. Justification of our assessments

As required by Article L.823-9 of the French Commercial Code relating to the justification of our assessments, we inform you of the following:

- As stated in Note C.1.to the consolidated financial statements entitled "Accounting treatment of the reorganisation of VINCI Autoroutes", the reorganisation results in reclassification of shareholdings within the Group, with no change to the control exercised by VINCI SA over those subsidiaries. Combinations of entities under common control are excluded from the scope of IFRS 3 "Business Combinations". In the absence of IFRS policies on the combination of entities under common control, the VINCI Concessions' consolidated financial statements at 31 December 2011 have been presented using a method that aims to recognise the assets and liabilities acquired or contributed, under common control, at their carrying amount in the consolidated financial statements of VINCI SA at the transaction date. In assessing the accounting policies applied by your Group, we have verified the appropriate nature of the above accounting policies and the information given in the Notes to the consolidated financial statements and have satisfied ourselves of their correct application.
- As stated in Note B.3.1 to the consolidated financial statements, the VINCI Concessions uses estimates prepared on the basis of information available at the time of preparing its consolidated financial statements, in a context of financial crisis in the eurozone, of which the consequences, in particular on the volatility of financial markets, access to finance and economic growth make it difficult to assess the outlook for business in the medium term. These estimates relate in particular to.
  - Impairment tests on non-financial assets: the VINCI Concessions group performs impairment tests at least annually on goodwill, and also assesses whether there is any indication that long-term assets may be impaired, in accordance with the methodology described in Notes B.3.16 and F.13 to the consolidated financial statements. We have examined how these impairment tests are performed and the cash flow forecasts and assumptions used.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole and have therefore contributed to the formation of our opinion, given in the first part of this report.

3. Specific verification

We have also verified in accordance with the professional standards applicable in France and as required by law, the information in the Group Management Report.

We have no comments to make as to its fair presentation and its conformity with the consolidated financial statements.

The Statutory Auditors

Paris La Défense and Neuilly-sur-Seine, 26 March 2012

KPMG Audit	Deloitte & Associés
Department of KPMG S.A.	
Karine Dupré	Mansour Belhiba

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking users. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Statutory Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.
This report also includes information relating to the specific verification of information given in the Group management report.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

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VINCI CONCESSIONS

CONSOLIDATED FINANCIAL STATEMENTS

31 December 2011

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VINCI Concessions consolidated financial statements at 31 December 2011

Notes to the consolidated financial statements

Financial statements

Key figures

(in € millions)	2011	2010
Revenue (*)	**2,769.6**	**1,968.2**
Concession subsidiaries' revenue derived from works	460.8	227.2
Total revenue	3,230.5	2,195.4
Revenue outside France (**)	236.4	246.0
% of revenue (***)	*8.5%*	*12.5%*
Operating income from ordinary activities	995.0	748.6
% of revenue (***)	*35.9%*	*38.0%*
Operating income	1,017.0	792.9
Net income for the period attributable to owners of the parent	**287.6**	**312.5**
Earnings per share attributable to owners of the parent (in €)	0.75	1.07
Dividend per share (in €)	1.89	0.59
Equity including non-controlling interests	5,463.1	2,525.4
Net financial debt	(18,883.7)	(5,629.1)
Cash flows from operations before tax and financing costs	1,608.1	1,063.6
Net operating investments	(38.6)	(28.6)
Operating cash flow	973.6	620.7
Investments in concessions and PPP contracts	(475.0)	(189.8)
Free cash flow	498.6	430.9

(*) Excluding concession subsidiaries' revenue derived from works

(**) Calculated on revenue excluding concession subsidiaries' revenue derived from works.

(***) Percentage calculated on revenue excluding concession subsidiaries' revenue derived from works.

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Consolidated income statement for the period

(in € millions)	Notes	2011	2010
		2,769.6	**1,968.2**
Concession subsidiaries' revenue derived from works		*460.8*	*227.2*
Total revenue		*3,230.5*	*2,195.4*
Revenue from ancillary activities	4	11.2	19.6
Operating expenses	4	(2,246.7)	(1,466.5)
Operating income from ordinary activities	**2-4**	**995.0**	**748.6**
Share-based payment expense (IFRS 2)		(8.1)	(3.8)
Goodwill impairment expense			
Profit/(loss) of companies accounted for under the equity method	4-14	30.2	48.1
Operating income	**2-4**	**1,017.0**	**792.9**
Cost of gross financial debt		(362.9)	(223.5)
Financial income from cash investments		16.1	8.4
Cost of net financial debt	**5**	**(346.8)**	**(215.1)**
Other financial income	6	34.6	47.1
Other financial expense	6	(21.1)	(72.6)
Income tax expense	7	(330.5)	(181.9)
Net income for the period		**353.3**	**370.3**
Net income for the period attributable to non-controlling interests		65.7	57.8
Net income for the period attributable to owners of the parent		**287.6**	**312.5**
Earnings per share attributable to owners of the parent	**8**	**0.75**	**1.07**

(*) Excluding concession subsidiaries' revenue derived from works

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Consolidated comprehensive income statement for the period

(in € millions)	2011 Attributable to owners of the parent	2011 Attributable to non-controlling interests	2011 Total	2010 Attributable to owners of the parent	2010 Attributable to non-controlling interests	[redacted]
Net income for the period	**287.6**	**65.7**	**353.3**	**312.5**	**57.8**	**370.3**
Financial instruments of controlled companies: changes in fair value	(63.8)	(7.5)	(71.2)	(10.8)	(1.2)	(12.0)
of which:						
Available-for-sale financial assets	*(19.9)*		*(19.9)*	*9.0*		*9.0*
Cash flow hedges (*)	*(43.9)*	*(7.5)*	*(51.3)*	*(19.8)*	*(1.2)*	*(21.0)*
Financial instruments of companies accounted for under the equity method: changes in fair value	(200.6)		(200.6)	(68.5)		(68.5)
Currency translation differences	1.7	0.2	1.9	3.5	0.1	3.6
Tax (**)	84.6	2.7	87.3	21.8	0.4	22.2
Income and expense for the period recognised directly in equity	(178.1)	(4.6)	(182.6)	(54.0)	(0.7)	(54.7)
of which, controlled companies	*(40.7)*	*(4.6)*	*(45.3)*	*(3.1)*	*(0.7)*	*(3.8)*
of which, companies accounted for under the equity method	*(137.3)*		*(137.3)*	*(50.8)*		*(50.8)*
Total comprehensive income for the period	**109.5**	**61.1**	**170.7**	**258.5**	**57.2**	**315.6**

(*) Changes in the fair value of cash flow hedges (interest-rate hedges) are recognised in equity for the effective portion. Cumulative gains and losses in equity are taken to profit or loss at the time when the cash flow affects profit or loss.

(**) €84.6 million of tax effects relating to changes in the fair value of financial instruments (€21.8 million at 31 December 2010), including +€6.8 million relating to available-for-sale financial assets (–€3.1 million at 31 December 2010) and +€77.8 million relating to cash flow hedges (effective part) (+€24.9 million at 31 December 2010).

Consolidated balance sheet

Assets

(in € millions)	Notes	31/12/2011	31/12/2010
Non-current assets			
Concession intangible assets	9	23,796.2	6,919.6
Goodwill	10-13	2,298.1	361.4
Other intangible assets	11	74.8	25.8
Property, plant and equipment	12	1,557.1	873.6
Investment property		0.5	0.5
Investments in companies accounted for under the equity method	14	138.4	524.9
Other non-current financial assets	15	870.4	399.4
Deferred tax assets (non-current)	7	384.8	154.5
Total non-current assets		**29,120.3**	**9,259.8**
Current assets			
Inventories and work in progress	18	12.5	3.0
Trade receivables	18	451.9	168.2
Other current operating assets	18	325.5	185.8
Current tax assets	7	13.5	8.4
Deferred tax assets (current)	7	33.1	12.2
Other current financial assets		303.8	160.2
Cash management financial assets	19	436.1	59.0
Cash and cash equivalents	19	415.9	447.6
Total current assets (before assets classified as held for sale)		**1,992.1**	**1,044.5**
Total current assets		**1,992.1**	**1,044.5**
Total assets		**31,112.4**	**10,304.3**

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Consolidated balance sheet

Equity and liabilities

(in € millions)	Notes	31/12/2011	31/12/2010
Equity			
Share capital	16.1	4,306.9	3,275.5
Share premium		1,798.2	917.8
Consolidated reserves		(3,362.3)	(2,215.9)
Currency translation reserves		(8.6)	(10.5)
Net income for the period attributable to owners of the parent		287.6	312.5
Amounts recognised directly in equity		(383.0)	(144.2)
Equity attributable to owners of the parent		**2,638.8**	**2,135.1**
Non-controlling interests	16.3	2,824.3	390.3
Total equity		**5,463.1**	**2,525.4**
Non-current liabilities			
Non-current provisions	17	521.3	236.9
Bonds	19	6,908.1	2,244.8
Other loans and borrowings	19	10,462.5	3,253.8
Other non-current liabilities		18.6	112.1
Deferred tax liabilities (non-current)	7	2,455.1	396.7
Total non-current liabilities		**20,365.6**	**6,244.3**
Current liabilities			
Current provisions	18.2	581.3	232.1
Trade payables	18.1	228.5	155.1
Other current payables	18.1	1,165.2	390.8
Current tax liabilities	7	184.9	24.3
Deferred tax liabilities (current)	7	35.5	19.5
Current borrowings	19	3,088.4	712.8
Total current liabilities (before liabilities classified as held for sale)		**5,283.7**	**1,534.6**
Total current liabilities		**5,283.7**	**1,534.6**
Total equity and liabilities		**31,112.4**	**10,304.3**

Consolidated cash flow statement

(in € millions)		Notes	2011	2010
Consolidated net income for the period (including non-controlling interests)			**353.3**	**370.3**
Net depreciation and amortisation		4.1	557.0	320.6
Net increase/(decrease) in provisions			77.0	62.5
Share-based payments (IFRS 2) and other restatements			(2.3)	(0.5)
Gain or loss on disposals			(3.3)	3.9
Change in fair value of financial instruments			0.3	(1.1)
Share of profit or loss of companies accounted for under the equity method, dividends received from unconsolidated companies and profit or loss from operations classified as held for sale			(36.2)	(53.2)
Capitalised borrowing costs			(15.0)	(36.0)
Cost of net financial debt recognised		5	346.8	215.1
Current and deferred tax expense recognised		7.1	330.5	181.9
Cash flows (used in)/from operations before tax and financing costs		**2-3**	**1,608.1**	**1,063.6**
Changes in working capital requirement and current provisions			27.2	11.4
Income taxes paid			(301.6)	(260.3)
Net interest paid			(330.0)	(223.5)
Dividends received from companies accounted for under the equity [redacted]			8.5	58.1
Cash flows (used in)/from operating activities	**I**		**1,012.2**	**649.3**
Purchases of property, plant and equipment, and intangible assets			*(39.6)*	*(29.6)*
Proceeds from sales of property, plant and equipment, and intangible assets			*1.0*	*1.0*
Net operating investments			**(38.6)**	**(28.6)**
Operating cash flow			***973.6***	***620.7***
Investments in concession fixed assets (net of grants received)			*(472.8)*	*(174.5)*
Financial receivables (PPP contracts and others)			*(2.2)*	*(15.2)*
Investments in concessions and PPP contracts			**(475.0)**	**(189.8)**
Free cash flow			***498.6***	***430.9***
Purchases of shares in subsidiaries and affiliates (consolidated and unconsolidated)			*(19.8)*	*(10.4)*
Proceeds from sales of shares in subsidiaries and affiliates (consolidated and unconsolidated)			*1.1*	*7.7*
Net effect of changes in scope of consolidation			*(11,650.4)*	*(4.2)*
Net financial investments			**(11,669.2)**	**(6.9)**
Other			23.8	(30.5)
Net cash flows (used in)/from investing activities	**II**	**2**	**(12,158.9)**	**(255.9)**
Changes in share capital			2,015.0	
Non-controlling interests in changes in subsidiaries' share capital			(2,013.8)	0.0
Changes in shareholdings without acquisition or loss of control of subsidiaries				
Dividends paid				
- to shareholders of VINCI Concessions			*(1,141.3)*	*(143.3)*
- to non-controlling interests			*(822.1)*	*(37.6)*
Proceeds from new borrowings			158.4	16.5
Repayment of borrowings and changes in other current financial debt			450.7	(2.2)
Change in cash management assets				
Net cash flows (used in)/from financing activities	**III**		**(1,353.1)**	**(166.5)**
Change in net cash	**I+II+III**		**(12,499.8)**	**226.9**
Net cash and cash equivalents at beginning of period			41.7	(185.4)
Other changes			12,361.8	0.1
Net cash and cash equivalents at end of period		**19**	**(96.3)**	**41.7**
Increase/(decrease) of cash management financial assets			0.0	0.0
(Proceeds from)/repayment of loans			(609.1)	(14.4)
Other changes			(12,507.5)	(23.8)
Change in net financial debt			(13,254.5)	188.9
Net financial debt at beginning of period			**(5,629.1)**	**(5,818.1)**
Net financial debt at end of period		**19**	**(18,883.7)**	**(5,629.1)**

Consolidated statement of changes in equity

(in € millions)	Share capital	Share premium	Treasury shares	Other equity instruments	Consolidated reserves	Net income for the period	Currency translation reserves	Amounts recognised directly in equity	Total attributable to owners of the parent	Non-controlling interests	Total
	Equity attributable to owners of the parent										
Balance at 1/1/2010	**3,275.5**	**917.8**			**(3,623.0)**	**1,551.1**	**(13.7)**	**(86.3)**	**2,021.3**	**370.7**	**2,392.1**
Net income for the period						312.5			312.5	57.8	370.3
Income and expense for the period recognised directly in equity of controlled companies					0.2	(0.0)	3.7	(7.1)	(3.1)	(0.7)	(3.8)
Income and expense for the period recognised directly in equity of companies accounted for under the equity method							(0.4)	(50.4)	(50.8)		(50.8)
Total comprehensive income for the period					**0.2**	**312.5**	**3.3**	**(57.5)**	**258.5**	**57.2**	**315.6**
Increase in share capital										0.0	0.0
Decrease in share capital											
Transactions on treasury shares											
Allocation of net income and dividend payments					1,376.9	(1,520.2)			(143.3)	(37.6)	(180.9)
Share-based payments (IFRS 2)					(1.4)				(1.4)	(0.0)	(1.4)
Impact of acquisitions or disposals of non-controlling interests after acquisition of control											
Changes in consolidation scope					31.3	(30.9)	(0.0)	(0.4)	(0.0)	(0.0)	(0.0)
Other					(0.1)				(0.1)		(0.1)
Change in equity relating to equity accounted companies											
Balance at 1/1/2011	**3,275.5**	**917.8**			**(2,215.9)**	**312.4**	**(10.5)**	**(144.2)**	**2,135.1**	**390.3**	**2,525.3**
Net income for the period						287.6			287.6	65.7	353.3
Income and expense for the period recognised directly in equity of controlled companies					0.1	0.0	0.9	(41.7)	(40.7)	(4.6)	(45.3)
Income and expense for the period recognised directly in equity of companies accounted for under the equity method							0.6	(138.0)	(137.3)		(137.3)
Total comprehensive income for the period					**0.1**	**287.6**	**1.6**	**(179.7)**	**109.5**	**61.1**	**170.7**
Increase in share capital	1,031.4	880.4			103.1				2,015.0	(2,010.7)	4.3
Decrease in share capital											
Transactions on treasury shares											
Allocation of net income and dividend payments					(828.9)	(312.5)			(1,141.3)	(822.1)	(1,963.4)
Share-based payments (IFRS 2)					11.2				11.2	10.0	21.2
Impact of acquisitions or disposals of non-controlling interests after acquisition of control					684.8		0.2	1.0	685.9	(685.9)	0.0
Changes in consolidation scope					(1,115.5)		0.1	(60.0)	(1,175.4)	5,881.6	4,706.2
Other					(1.2)				(1.2)		(1.2)
Change in equity relating to equity accounted companies											
Balance at 31/12/2011	**4,306.9**	**1,798.2**			**(3,362.3)**	**287.6**	**(8.6)**	**(383.0)**	**2,638.8**	**2,824.3**	**5,463.1**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A. Presentation of the Group

The VINCI Concessions Group (hereafter called the Group or VINCI Concessions) is a fully-owned subsidiary of VINCI SA. It designs, finances, builds and operates infrastructure in France and abroad, under public private partnerships (PPP), concessions or partnership agreements.

Its operations comprise five business lines:

- Road infrastructure
- Railway infrastructure
- Parking facilities
- Airport infrastructure
- Stadiums

B. Accounting policies and measurement methods

1. General principles

Pursuant to Regulation (EC) No 1606/2002 of 19 July 2002, VINCI Concessions' consolidated financial statements for the year ended 31 December 2011 have been prepared under the International Financial Reporting Standards (IFRS) as adopted by the European Union at 31 December 2011.

The accounting policies used at 31 December 2011 are the same as those used in preparing the consolidated financial statements at 31 December 2010, except for the Standards and Interpretations adopted by the European Union applicable as from 1 January 2011 (see Note B.1.1. "New Standards and Interpretations applicable from 1 January 2011").

1.1 New Standards and Interpretations applicable from 1 January 2011

The new Standards and Interpretations applicable from 1 January 2011 have no material impact on VINCI Concessions' consolidated financial statements at 31 December 2011. These are mainly:

- Amendment to IAS 24 "Related Party Disclosures"
- Amendment to IAS 32 "Classification of Rights Issues"
- Amendment to IFRIC 14 "Prepayments of a Minimum Funding Requirement"
- IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments"
- The Amendments published in May 2010 under the IFRS annual improvements procedure.

1.2 Standards and Interpretations adopted by the IASB but not yet applicable at 31 December 2011

The Group has not applied early the following Standards and Interpretations of which application is not mandatory at 1 January 2011:
Standards on consolidation methods:

- IFRS 10 "Consolidated Financial Statements";
- IFRS 11 "Joint Arrangements";
- IFRS 12 "Disclosure of Interests in Other Entities";
- IAS 27 Revised "Consolidated and Separate Financial Statements";
- IAS 28 Revised "Interests in Associates and Joint Ventures".

Other Standards:

- IFRS 7 Amended "Disclosures—Transfers of Financial Assets";
- IFRS 9 "Financial Instruments";
- IFRS 13 "Fair Value Measurement";
- IAS 1 Amended "Presentation of Items of Other Comprehensive Income";
- IAS 12 Amended "Deferred Tax: Recovery of Underlying Assets";
- IAS 19 Amended "Employee Benefits".
- IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine".

2. Consolidation methods

2.1 Consolidation scope

Companies in which the Group holds, whether directly or indirectly, the majority of voting rights enabling control to be exercised, are fully consolidated.

Companies over which the Group exercises significant influence, and jointly controlled companies, are accounted for under the equity method.

VINCI Concessions' consolidated financial statements include the financial statements of all companies with revenue of more than €2 million, and of companies whose revenue is below this figure but whose impact on the Group's financial statements is material.

Number of companies by reporting method

	31/12/2011			31/12/2010		
(number of companies)	Total	France	Foreign	Total	France	Foreign
Controlled companies	163	111	52	139	95	44
Equity method	48	14	34	41	12	29
Total	211	125	86	180	107	73

In addition to the formation of several concession project companies including LISEA (for the South Europe Atlantic high-speed rail line), Stade Bordeaux Atlantique and Nice Eco Stadium, the main changes in the period relate to the acquisition of two companies by VINCI Park and the consolidation of the VINCI Autoroutes group (see Note C "Reorganisation of VINCI Autoroutes: pro forma financial statements").

2.2 Intragroup transactions

Reciprocal operations and transactions relating to assets and liabilities, income and expenses between consolidated or companies accounted for using the equity method are eliminated in the consolidated financial statements. This is done:

- for the full amount if the transaction is between two subsidiaries;
- applying the percentage owned of an equity-accounted entity in the case of profits or losses realised between a fully consolidated entity and an equity-accounted entity.

2.3 Translation of the financial statements of foreign companies and establishments

In most cases, the functional currency of companies and establishments is their local currency.
The financial statements of foreign companies of which the functional currency is different from that used in preparing the Group's consolidated financial statements are translated at the closing rate for balance sheet items and at the average rate for the period for income statement items. Any resulting translation differences are recognised under translation differences in consolidated reserves. Goodwill relating to foreign entities is considered as comprising part of the assets and liabilities acquired and is therefore translated at the exchange rate in force at the balance sheet date.

2.4 Foreign currency transactions

Transactions in foreign currency are translated into euros at the exchange rate at the transaction date. At the balance sheet date, financial assets and monetary liabilities expressed in foreign currencies are translated at the closing rate. Resulting exchange gains and losses are recognised under foreign exchange gains and losses and are shown under other financial income and expenses in the income statement.
Foreign exchange gains and losses arising on loans denominated in foreign currency or on foreign currency derivatives used to hedge investments in foreign subsidiaries are recorded under translation differences in equity.

2.5 Business combinations

Business combinations completed between 1 January 2004 and 31 December 2009 have been recognised applying the principles in the previous version of IFRS 3. Business combinations completed from 1 January 2010 onwards are recognised in accordance with IFRS 3 Revised.
In application of this revised Standard, the Group recognises the identifiable assets and liabilities assumed at their fair value at the dates when control was acquired. The cost of a business combination is the fair value, at the date of exchange, of the assets given, liabilities assumed, and/or equity instruments issued by the acquirer in exchange for control of the acquiree, plus any costs directly attributable to the acquisition. Contingent price adjustments are measured at fair value at each balance sheet date. After twelve months have elapsed from the acquisition date, any subsequent changes to this fair value are recognised in profit or loss. Expenses that are directly attributable to the acquisition, such as professional fees for due diligence and other related fees, are expensed as they are incurred. The cost of acquisition is allocated by recognising the acquiree's identifiable assets and liabilities assumed at their fair value at that date, except for assets or asset groups classified as held for sale under IFRS 5, which are recognised at their fair value less costs to sell. The positive difference between the cost of acquisition and VINCI Concessions' interest in the fair value of the identifiable assets and liabilities assumed is recognised as goodwill.
The Group has twelve months from the date of acquisition to finalise the accounting for business combinations.

Combination of entities under common control
Combinations of entities under common control are excluded from the scope of IFRS 3 "Business Combinations". After consideration in the light of the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and in particular paragraph 10 "Selection and application of accounting policies", such transactions are recognised in the consolidated financial statements at the historical carrying amount as shown in VINCI's consolidated financial statements at the transaction date.

2.6 Transactions between shareholders, acquisitions and disposals of non-controlling interests after acquisition of control

Acquisitions or disposals of non-controlling interests, with no change of control, are considered as transactions with the Group's shareholders. Under this approach, the difference between the consideration paid to increase the percentage shareholding in an already-controlled entity and the supplementary share of the equity thus acquired is recorded under consolidated equity. Similarly, a decrease in the Group's percentage interest in an entity that continues to be controlled is booked in the accounts through equity, with no impact on profit or loss.

3. Measurement rules and methods

3.1 Use of estimates

The preparation of financial statements under the IFRSs requires estimates to be used and assumptions to be made that affect the amounts shown in those financial statements.
These estimates assume the operation is a going concern and are made on the basis of the information available at the time. Estimates may be revised if the circumstances on which they were based alter or if new information becomes available. Actual results may be different from these estimates.

The consequences of the financial crisis in the eurozone, in particular on the volatility of financial markets, access to finance and economic growth make it difficult to assess the outlook for business in the medium term. The consolidated financial statements for the period have therefore been prepared with reference to this immediate environment, in particular as regards the estimates given below.

3.1.1 Values used in impairment tests

The assumptions and estimates made to determine the recoverable amount of goodwill, intangible assets and property, plant and equipment, relate in particular to the assessment of market prospects needed to estimate the cash flows, and discount rates adopted. Any change in these assumptions could have a material effect on the recoverable amount and could entail a change in the impairment losses to recognise.
The main assumptions used by VINCI Concessions are described in Note F.13 "Impairment tests on goodwill and other non-financial assets".

3.1.2 Measurement of share-based payment expenses under IFRS 2

VINCI Concessions recognises a share-based payment expense relating to the granting to its employees of share options (offers to subscribe to or purchase shares), free share plans and shares under the Group Savings Scheme. This expense is measured on the basis of actuarial calculations using estimated behavioural assumptions based on observation of past behaviour.

3.1.3 Measurement of retirement benefit obligations

VINCI Concessions is involved in defined contribution and defined benefit retirement plans. Its obligations in connection with these defined benefit plans are measured actuarially, based on assumptions such as the discount rate, the return on the investments dedicated to these plans, future increases in wages and salaries, employee turnover, mortality rates and the rate of increase of health expenses.

These assumptions are generally updated annually. Details of the assumptions used and how they are determined are given in Note F.17.1 "Provisions for retirement benefit obligations".

VINCI Concessions considers that the actuarial assumptions used are appropriate and justified. Obligations may, however, change in the event of changes in assumptions.

3.1.4 Measurement of provisions

The factors that have a material influence on the amount of provisions mainly relate to forecasts for maintenance and major repair expenditures over several years, used as a basis for the provisions for the obligation to maintain the condition of infrastructure under concession. These forecasts are estimated taking account of indexation clauses in construction contracts.

3.1.5 Measurement of financial instruments at fair value

Fair value is determined on the basis of the following three models or levels:

- Level 1: quoted prices on an active market: whenever quoted prices on an active market are available, these are used in priority to determine fair value. Marketable securities and some listed bond issues are measured in this way;
- Level 2: internal model using internal measurement techniques with observable factors: these techniques use the usual mathematical computation methods, which incorporate observable market data (forward prices, yield curves, etc.). The calculation of the fair value of most derivative financial instruments (swaps, caps, floors, etc.), traded on markets is made on the basis of models commonly used by market participants to price such financial instruments.
  Every quarter, the internally calculated values of derivative instruments are checked for consistency with the values sent to us by the counterparties.
- Level 3: internal model using non-observable factors: this model applies in VINCI Concessions only for holdings of unlisted shares, which, in the absence of an active market, are measured at their cost of acquisition plus transaction costs.

3.2 Revenue

Consolidated revenue is recognised in accordance with IFRIC 12, IAS 18 and IAS 11 and comprises:

- tolls for the use of motorway infrastructures operated under concessions, revenue booked by car parks and airport service concessions, and ancillary income such as fees for the use of commercial installations, rental of telecommunication infrastructure and advertising space; and
- revenue in respect of the construction of new concession infrastructure recognised on a stage of completion basis in accordance with IFRIC 12 and IAS 11.

3.3 Revenue from ancillary activities

Revenue from ancillary activities mainly comprises rental income, sales of equipment, materials and merchandise, study work and fees other than those generated by concession operators.

3.4 Concession contracts

Under the terms of IFRIC 12, a concession operator has a twofold activity:

- a construction activity in respect of its obligations to design, build and finance a new asset that it makes available to the grantor: revenue is recognised on a stage of completion basis in accordance with IAS 11;
- an operating and maintenance activity in respect of the assets under the concession: revenue is recognised in accordance with IAS 18.

In return for its activities, the operator receives consideration from either:

- **users: the intangible asset model applies.** The operator has a right to receive tolls (or other payments) from users in consideration for the financing and construction of the infrastructure. The intangible asset model also applies whenever the concession grantor remunerates the concession operator on the basis of the extent of use of the infrastructure by users, but with no guarantees as to the amounts that will be paid to the operator (under a simple pass through or shadow toll agreement).
  Under this model, the right to receive toll payments (or other remuneration) is recognised in the concession operator's balance sheet under "Concession intangible assets". This operating right corresponds to the fair value of the asset under concession plus the borrowing costs capitalised during the construction phase.

It is amortised over the term of the arrangement in a manner that reflects the pattern in which the asset's economic benefits are consumed by the entity, starting from the entry into service of the asset.
This treatment applies to most of the infrastructure concessions that are today operated by VINCI Concessions, in particular the motorway networks (ASF, Escota and Cofiroute, the A19, the A5 Modell in Germany and the Athens-Patras-Corinth motorway in Greece), bridges (the Rion-Antirion bridge in Greece and the bridge over the Tagus in Lisbon) and most of the parking facilities managed under concessions by VINCI Park.

- **the grantor: the financial asset model applies.** The operator has an unconditional contractual right to receive payments from the grantor, irrespective of the amount of use made of the infrastructure.
  Under this model, the operator recognises a financial asset, attracting interest, in its balance sheet, in consideration for the services it provides (designing, building, operation or maintenance). Such financial assets are recognised in the balance sheet under "Loans and receivables", for the amount of the fair value of the infrastructure on first recognition and subsequently at amortised cost. The receivable is settled by means of the grantor's payments received. The financial income calculated on the basis of the effective interest rate, equivalent to the project's internal rate of return, is recognised under operating income.
  This model applies to the public-private partnership contracts in France and abroad: the Newport Southern Distributor Road in the UK, the Liefkenshoek Tunnel in Belgium, the Coentunnel in the Netherlands, the R1 expressway in Slovakia and some VINCI Park contracts.

  In the case of **bifurcated models,** the operator is remunerated partly by users and partly by the grantor. The part of the investment that is covered by an unconditional right to receive payments from the grantor is recognised as a financial receivable up to the amount guaranteed. The unguaranteed balance, of which the amount is dependent on the extent of use of the infrastructure, is recognised as an intangible asset. On the basis of an analysis of VINCI Concessions' existing contracts, this model applies to some VINCI Park contracts and to the Le Mans Stadium.

3.5 Share-based payments

The measurement and recognition methods for share subscription and purchase plans and the VINCI *Plan d'Epargne* – the VINCI Savings Scheme – are defined by IFRS 2 "Share-based Payment". The granting of share options, free shares and offers to subscribe to the VINCI Savings Scheme represent a benefit granted to their beneficiaries and therefore constitute supplementary remuneration borne by VINCI Concessions. Because such transactions do not give rise to monetary transactions, the benefits granted in this way are recognised as expenses in the period in which the rights are acquired, with a corresponding increase in equity. Benefits are measured on the basis of the fair value of the equity instruments granted.

3.5.1 Share subscription or purchase option plans

VINCI grants options to subscribe to shares to VINCI Concessions Group employees and senior executives. The fair value of the options granted is determined at the grant date using a binomial valuation model, of the "Monte Carlo" type, adjusting for the probability that the vesting conditions for the exercise of the option will not be satisfied.

3.5.2 Performance share plans

VINCI has granted performance shares subject to conditions to VINCI Concessions Group employees and senior executives. As these are plans under which the final vesting of the performance shares is dependent on the realisation of conditions relating to market performance and financial criteria, the fair value of the performance shares has been estimated, at grant date, using a Monte Carlo simulation model in order to incorporate the impact of the market performance condition and according to the likelihood of the financial criteria being met, as recommended by IFRS 2.
The number of performance shares measured at fair value in the calculation of the IFRS 2 expense is adjusted at each balance sheet date for the impact of the change in the likelihood of the financial criteria being met.

3.5.3 VINCI Group Savings Scheme

Under the Group Savings Scheme, VINCI issues new shares in France reserved for its employees three times a year with a subscription price that includes a discount of 10% against the average stock market price of the VINCI share during the last 20 business days preceding the authorisation by the Board of Directors. This discount is considered as a benefit granted to the employees; its fair value is determined using the Monte Carlo valuation model at the date on which the subscription price is announced to the employees. As certain restrictions apply to the shares acquired by the employees under these plans regarding their sale or transfer, the fair value of the benefit to the employee takes account of the fact that the shares acquired cannot be freely disposed of for five years, other than in certain specific circumstances.
VINCI Concessions recognises the benefits granted in this way to its employees as an expense over the vesting period, with a corresponding increase in consolidated equity.

3.6 Cost of net financial debt

The cost of net financial debt comprises:
- the cost of gross financial debt, which includes the interest expense calculated at the effective interest rate, gains and losses on interest-rate derivatives allocated to gross financial debt, whether they are designated as hedges for accounting purposes or not.
- the line item "financial income from cash management investments", which comprises the return on investments of cash and cash equivalents. Investments of cash and cash equivalents are measured at fair value through profit or loss.

3.7 Other financial income and expense

Other financial income and expense mainly comprises foreign exchange gains and losses, the effects of discounting to present value, dividends received from unconsolidated entities, capitalised borrowing costs and changes in the value of derivatives not allocated to interest-rate risk management.

Borrowing costs borne during the construction of assets are included in the cost of those assets. They are determined as follows:
- to the extent that funds are borrowed specifically for the purpose of constructing an asset, the borrowing costs eligible for capitalisation on that asset are the actual borrowing costs incurred during the period less any investment income arising from the temporary investment of those borrowings;
- when borrowing is not intended to finance a specific project, the interest eligible for capitalisation on an asset is determined by applying a capitalisation rate to the expenditure on that asset. This capitalisation rate is equal to the weighted average of the costs of borrowing funds for construction work, other than those specifically intended for the construction of given assets.

This does not relate to the construction of infrastructure under concession accounted for using the financial asset model (see Note B.3.18.2 "Loans and receivables at amortised cost").

3.8 Income tax

Income tax is computed in accordance with the tax legislation in force in the countries where the income is taxable.

In accordance with IAS 12, deferred tax is recognised on the temporary differences between the carrying amount and the tax base of assets and liabilities. It is calculated using the latest tax rates enacted or substantially enacted. The effects of a change in the tax rate from one period to another are recognised in the income statement in the period in which the change occurs.
Deferred tax relating to items recognised directly under equity is also recognised under equity.
Whenever subsidiaries have distributable reserves, a deferred tax liability is recognised in respect of the probable distributions that will be made in the foreseeable future. Moreover, shareholdings in associates and joint ventures give rise to recognition of a deferred tax liability in respect of all the differences between the carrying amount and the tax base of the shares.

Net deferred tax is determined on the basis of the tax position of each entity or group of entities included in the tax group under consideration and is shown under assets or liabilities for its net amount per taxable entity.
Deferred tax is reviewed at each balance sheet date to take account in particular of the impact of changes in tax law and the prospects for recovery. Deferred tax assets are only recognised if their recovery is probable.
Deferred tax assets and liabilities are not discounted.

3.9 Concession intangible assets

Concession intangible assets correspond to the concession operator's right to operate the asset under concession in consideration for the investment expenditures incurred for the design and construction of the asset. This operator's right corresponds to the fair value of the construction of the asset under concession plus the borrowing costs capitalised during the construction phase. It is amortised over the term of the contract in a manner that reflects the pattern in which the contract's economic benefits are consumed by the entity, starting from the date when the right to operate starts to be used.

3.10 Goodwill

Goodwill is the excess of the cost of a business combination over VINCI Concessions' interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities at the date(s) of acquisition, recognised on first consolidation.

Goodwill in fully consolidated subsidiaries is recognised under goodwill in consolidated assets. Goodwill relating to companies accounted for under the equity method is included in the line-item "Investments in companies accounted for under the equity method".
Goodwill is not amortised but is tested for impairment at least annually and whenever there is an indication that it may be impaired. Whenever goodwill is impaired, the difference between its carrying amount and its recoverable amount is recognised in operating income in the period and is not reversible.
Negative goodwill is recognised directly in profit or loss in the year of acquisition.

Following adoption of IFRS 3 Revised, an option is available to measure non-controlling interests at acquisition date either at fair value (the full goodwill method), or for the portion of the net assets acquired that they represent (the partial goodwill method). The choice can be made for each business combination.

3.11 Other intangible assets

Other intangible assets are mainly software. Purchased intangible assets are recorded in the balance sheet at acquisition cost and are amortised on a straight-line basis over their useful life.

3.12 Grants related to assets

Grants related to assets are presented in the balance sheet as a reduction of the amount of the asset for which they were received.

3.13 Property, plant and equipment

Items of property, plant and equipment are recorded at their acquisition or production cost less cumulative depreciation and any impairment losses. They are not revalued.

Depreciation is generally calculated on a straight-line basis over the period of use of the asset. Accelerated depreciation may however be used when it appears more appropriate to the conditions under which the asset is used.

The main periods of use of the various categories of items of property, plant and equipment are as follows:

Constructions	
- structure	between 20 and 50 years
- general technical installations	between 5 and 20 years
Site equipment and technical installations	between 3 and 12 years
Vehicles	between 3 and 5 years
Fixtures and fittings	between 8 and 10 years
Office furniture and equipment	between 3 and 10 years

Depreciation commences as from the date when the asset is ready to enter service.

3.14 Finance leases

Assets acquired under finance leases are recognised as non-current assets whenever the effect of the lease is to transfer substantially all the risks and rewards incidental to ownership of these assets to the VINCI Concessions Group. Assets held under finance leases are depreciated over their period of use.

3.15 Investment property

Investment property is property held to earn rentals or for capital appreciation. Such property is shown on a separate line in the balance sheet.
Investment property is recorded at its acquisition cost less cumulative depreciation and any impairment losses, in the same way as items of property, plant and equipment.

3.16 Impairment of non-financial non-current assets

Under certain circumstances, impairment tests must be performed on intangible and tangible fixed assets. For intangible assets with an indefinite useful life and goodwill, a test is performed at least annually and whenever there is an indication of a loss of value. For other fixed assets, a test is performed only when there is an indication of a loss of value.
Assets to be tested for impairment are grouped within cash-generating units that correspond to homogeneous groups of assets that generate identifiable cash inflows from their use. Whenever the recoverable value of a cash-generating unit is less than its carrying amount, an impairment loss is recognised in operating income. The recoverable amount of a cash-generating unit is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. The discount rate is determined for each cash-generating unit, taking account of its geographical location and the risk profile of its business.

3.17 Investments in companies accounted for using the equity method

Equity-accounted investments are initially recognised at cost of acquisition, including any goodwill arising. Their carrying amount is then increased or decreased to recognise the Group's share of the entity's profits or losses after the date of acquisition. Whenever losses are greater than the value of the Group's net investment in the equity-accounted entity, these losses are not recognised unless the Group has entered into a commitment to recapitalise the entity or has made payments on its behalf.
If there is an indication that an investment may be impaired, its recoverable value is tested as described in Note B.3.16 "Impairment of non-financial non-current assets". Impairment losses shown by these impairment tests are recognised as a deduction from the carrying amount of the corresponding investments.
In order to present business lines' operational performance in the best way possible, the profit or loss of companies accounted for under the equity method is reported on a specific line, between the lines "operating income from ordinary activities" and "operating income".
These shareholdings are those in companies in which the Group has significant influence and jointly controlled entities.

3.18 Other non-current financial assets

Other non-current financial assets comprise available-for-sale securities, the part at more than one year of loans and receivables measured at amortised cost, the part at more than one year of financial receivables under public-private partnership contracts (PPP) and the fair value of non-current derivative financial instruments (assets) (see Note B.3.26.2 "Fair value of derivative instruments (assets and liabilities)").

3.18.1 Available-for-sale securities

"Available-for-sale securities" comprises the Group's shareholdings in unconsolidated companies.
At the balance sheet date, available-for-sale securities are measured at their fair value. The fair value of shares in listed companies is determined on the basis of the stock market price at that balance sheet date. For unlisted securities, if their fair value cannot be determined reliably, the securities continue to be measured at their original cost, i.e. their cost of acquisition plus transaction costs.
Changes in fair value are recognised directly in equity.

Whenever there is an objective indication that this asset is impaired, the corresponding loss is recognised in profit or loss and may not be reversed.

- For securities quoted on an active market, a long-lasting or material decline in fair value below their cost is an objective indication of their impairment. The factors considered by the Group in assessing the long-lasting or material nature of a decline in fair value are generally the following:
  - the impairment is long-lasting whenever the closing stock market price has been lower than the cost of the security for more than 18 months;
  - the impairment is material whenever, at the balance sheet date, there has been a 30% fall in the spot price compared with the cost of the financial asset.
- For unlisted securities, the factors considered are the decrease in value of the share of equity held and the absence of prospects for profit.

3.18.2 Loans and receivables at amortised cost

"Loans and receivables at amortised cost" mainly comprises receivables connected with shareholdings, current account advances to companies accounted for under the equity method or unconsolidated entities, guarantee deposits, collateralised loans and receivables and other loans and financial receivables. It also includes the financial receivables relating to concession contracts and public-private partnerships whenever the concession operator has an unconditional right to receive remuneration (generally in the form of "scheduled construction service payments") from the grantor.

When first recognised, these loans and receivables are recognised at their fair value plus the directly attributable transaction costs. At each balance sheet date, these assets are measured at their amortised cost using the effective interest method. In the particular case of receivables coming under the scope of IFRIC 12, the effective interest rate used corresponds to the project's internal rate of return.

If there is an objective indication of impairment of these loans and receivables, an impairment loss is recognised at the balance sheet date. The impairment loss, corresponding to the difference between the carrying amount and the recoverable amount (i.e. the present value of the expected cash flows discounted using the original effective interest rate), is recognised in profit or loss. This loss may be reversed if the recoverable value increases subsequently and if this favourable change can objectively be linked to an event arising after recognition of the impairment loss.

3.19 Inventories and work in progress

Inventories and work in progress are recognised at their cost of acquisition or of production by the entity. At each balance sheet date, they are measured at the lower of cost and net realisable value.

3.20 Trade receivables and other current operating assets

Trade receivables and other current operating assets are current financial assets and are initially measured at their fair value, which is generally their nominal value, unless the effect of discounting is material. At each balance sheet date, receivables are measured at their amortised cost less any impairment losses taking account of any likelihood of non-recovery.

An estimate of the likelihood of non-recovery is made at each balance sheet date and an impairment loss is recognised if necessary. The likelihood of non-recovery is assessed either taking a group of receivables together or individually, depending on the case, taking account in particular of overdue payments and guarantees received.

3.21 Other current financial assets

"Other current financial assets" comprises the fair value of derivative financial instruments (assets) and the part at less than one year of loans and receivables reported under other non-current financial assets.

3.22 Cash management financial assets

"Cash management financial assets" comprises investments in monetary and bond securities, and units in UCITS, made with a short-term management objective, that do not satisfy the IAS 7 criteria for recognition as cash (see Note B 3.23 "Cash and cash equivalents"). As VINCI Concessions adopts fair value as being the best reflection of the performance of these assets, they are measured and recognised at their fair value, and changes in fair value are recognised through profit or loss.

Purchases and sales of cash management financial assets are recognised at their transaction date.

Their fair value is determined using commonly used valuation models or, for non-listed cash management assets, at the present value of future cash flows. In assessing the fair value of listed instruments, VINCI Concessions uses the market price at the balance sheet date or the net asset value of UCITS.

Cash-management financial assets also include the cash-management current accounts of related companies.

3.23 Cash and cash equivalents

This item comprises current accounts at banks and cash equivalents corresponding to short-term, liquid investments subject to negligible risks of fluctuations of value. Cash equivalents comprise in particular monetary UCITS (in accordance with the AMF classification), and certificates of deposit with maturities not exceeding three months at the origin. Bank overdrafts are not included in cash and are reported under current financial liabilities.

The VINCI Concessions Group has adopted the fair value method to assess the return on its financial instruments. Changes in fair value are recognised directly in profit or loss.

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3.24 Non-current provisions

Non-current provisions comprise provisions for retirement benefit obligations and other non-current provisions.

3.24.1 Provisions for retirement benefit obligations

Provisions are taken in the balance sheet for obligations connected with defined benefit retirement plans, for both current and former employees (people with deferred rights or who have retired). These provisions are determined using the projected unit credit method on the basis of actuarial assessments made at each annual balance sheet date. The actuarial assumptions used to determine the obligations vary depending on the economic conditions of the country where the plan is operated. Each plan's obligations are recognised separately.

For defined benefit plans financed under external management arrangements (i.e. pension funds or insurance policies), the surplus or shortfall of the fair value of the assets compared with the present value of the obligations is recognised as an asset or liability in the balance sheet, after deduction of cumulative actuarial gains and losses and any past service cost not yet recognised in profit or loss.

Past service cost corresponds to the benefits granted either when an entity adopts a new defined benefit plan or when it changes the level of benefit of an existing plan. Whenever new rights to benefit are acquired as from the adoption of the new plan or the change of an existing plan, the past service cost is recognised immediately in profit or loss.
Conversely, whenever adoption of a new plan or a change in a plan gives rise to the acquisition of rights after its implementation date, past service costs are recognised as an expense on a straight-line basis over the average period remaining until the corresponding rights are fully vested.

Actuarial gains and losses result from changes in actuarial assumptions and from experience adjustments (the effects of differences between the actuarial assumptions adopted and what has actually occurred).
Cumulative unrecognised actuarial gains and losses that exceed 10% of the higher of the present value of the defined benefit obligation and the fair value of the plan assets are recognised in profit or loss on a straight-line basis over the average expected remaining working lives of the employees in that plan.

For defined benefit plans, the expense recognised under operating income comprises the current service cost, the amortisation of past service cost, the amortisation of any actuarial gains and losses and the effects of any reduction or winding up of the plan. The interest cost (cost of discounting) and the expected yield on plan assets are recognised under other financial income and expense.

That part of provisions for retirement benefit obligations that matures within less than one year is shown under current liabilities.

3.24.2 Other non-current provisions

These comprise provisions for other employee benefits, measured in accordance with IAS 19, and those provisions that are not directly linked to the operating cycle, measured in accordance with IAS 37. These are recognised whenever, at the balance sheet date, the Group has a legal or constructive present obligation towards third parties arising from a past event, whenever it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation and whenever a reliable estimate can be made of the amount of the obligation. These provisions are measured at their present value, corresponding to the best estimate of the outflow of resources required to settle the obligation.

Provision expenses and reversals result from the change in these assessments at each balance sheet date.
The part at less than one year of other employee benefits is reported under "other current liabilities". The part at less than one year of provisions not directly linked to the operating cycle is reported under "current provisions".

3.25 Current provisions

Current provisions are provisions directly linked to each business line's or project's own operating cycle, whatever the expected time of settlement of the obligation. They are recognised in accordance with IAS 37 (see above). They also include the part at less than one year of provisions not directly linked to the operating cycle.

Provisions are taken for contractual obligations to maintain the condition of infrastructure under concession, principally by the motorway concession operating companies to cover the expense of major road repairs (surface courses, restructuring of slow lanes, etc.), bridges, tunnels and hydraulic infrastructure. Provisions are calculated on the basis of maintenance [redacted]

3.26 Bonds and other financial debt (current and non-current)

3.26.1 Bond loans, other loans and borrowings

These are recognised at amortised cost using the effective interest method. The effective interest rate is determined after taking account of redemption premiums and issuance expenses. Under this method, the interest expense is measured using the amortised cost method and reported under the cost of gross financial debt.
The benefit of a loan at a significantly below-market rate of interest, which is in particular the case for project finance granted by public-sector organisations, is treated as a government grant and recognised as a reduction of the debt and the related investments, in accordance with IAS 20.

Financial instruments that comprise both a liability component and an equity component are recognised in accordance with IAS 32. The carrying amount of the compound instrument is apportioned between its liability component and its equity component, the equity component being defined as the difference between the fair value of the compound instrument and the fair value of the liability component. The liability component corresponds to the fair value of a liability with similar characteristics but without an equity component. The value attributed to the separately recognised equity component is not altered during the term of the instrument. The liability component is measured using the amortised cost method over its estimated term. Issuance costs are allocated proportionately between the liability and equity components.

The part at less than one year of borrowings is included in current borrowings.

3.26.2 Fair value of derivative financial instruments (assets and liabilities)

VINCI Concessions uses derivative financial instruments to hedge its exposure to market risks (mainly interest rates and foreign currency exchange rates). Most interest rate and exchange rate derivatives used by VINCI Concessions are designated as hedging instruments. Hedge accounting is applicable in particular if the conditions provided for in IAS 39 are satisfied:

- at the time of setting up the hedge there is a formal designation and documentation of the hedging relationship;
- the effectiveness of the hedging relationship must be demonstrated from the outset and at each balance sheet date, prospectively and retrospectively.

The fair value of derivative financial instruments designated as hedges of which the maturity is greater than one year is reported in the balance sheet under "Other non-current financial assets" or "Other loans and borrowings (non-current)". The fair value of other derivative instruments not designated as hedges and the part at less than one year of instruments designated as non-current hedges are reported under "Other current financial assets" or "Current financial liabilities".

Financial instruments designated as hedging instruments

Derivative financial instruments designated as hedging instruments are systematically recognised in the balance sheet at fair value. Nevertheless, their recognition varies depending on whether they are designated as:

- a fair value hedge of an asset or a liability or of an unrecognised firm commitment;
- a cash flow hedge; or
- a hedge of a net investment in a foreign entity.

Fair value hedge

A fair value hedge enables the exposure to the risk of a change in the fair value of a financial asset, a financial liability or unrecognised firm commitment to be hedged.

Changes in the fair value of the hedging instrument are recognised in profit or loss for the period. The change in value of the hedged item attributable to the hedged risk is recognised symmetrically in profit or loss for the period (and adjusted to the carrying amount of the hedged item). Except for the ineffective portion of the hedge, these two revaluations offset each other within the same line items in the income statement.

Cash flow hedge

A cash flow hedge allows exposure to variability in future cash flows associated with an existing asset or liability, or a highly probable forecast transaction, to be hedged.

Changes in the fair value of the derivative financial instrument are recognised in equity for the effective portion and in profit or loss for the period for the ineffective portion. Cumulative gains or losses in equity are taken to profit or loss under the same line item as the hedged item – i.e. under operating income and expenses for cash flows from operations and under financial income and expense otherwise – when the hedged cash flow affects profit or loss.

If the hedging relationship is interrupted, in particular because it is no longer considered effective, the cumulative gains or losses in respect of the derivative instrument are retained in equity and recognised symmetrically with the cash flows hedged. If the future cash flow is no longer expected, the gains and losses previously recognised in equity are taken to profit or loss.

Hedge of a net investment in a foreign entity

A hedge of a net investment denominated in a foreign currency hedges the exchange rate risk relating to the net investment in a consolidated foreign subsidiary. In a similar way as for cash flow hedges, the effective portion of the changes in the value of the hedging instrument is recorded in equity under currency translation reserves and the portion considered as ineffective is recognised in profit or loss. The change in the value of the hedging instrument recognised in translation differences is reversed through profit or loss when the foreign entity in which the initial investment was made is disposed of.

Derivative financial instruments not designated as hedging instruments

Derivative financial instruments that are not designated as hedging instruments are reported in the balance sheet at fair value and changes in their fair value are recognised in profit or loss.

3.26.3 Put options granted to minority shareholders

Put options (options to sell) granted to the minority shareholders of certain Group subsidiaries and shareholdings are recognised under financial liabilities for the present value of the exercise price of the option and as a corresponding reduction of consolidated equity (non-controlling interest and equity attributable to owners of the parent for the surplus, if any).

3.27 Off-balance sheet commitments

The Group's off-balance sheet commitments are monitored through specific annual and six-monthly reports.
Off-balance sheet commitments are reported in the appropriate Notes, as dictated by their nature and the activity to which they relate.

C. Reorganisation of VINCI Autoroutes: pro forma financial statements

On 12 September 2011, working with VINCI, VINCI Concessions carried out the legal and financial reorganisation intended to bring together within VINCI Autoroutes the shareholdings held in motorway operating companies in France (Cofiroute, ASF and its subsidiary Escota).

This reorganisation was effected by means of a contribution of shares at their net carrying amount. On completion of the following contributions, VINCI Autoroutes became a 53.29% subsidiary of VINCI Concessions.

- Contribution by VINCI Concessions and VINCI jointly to VINCI Autoroutes of their shareholdings in ASF Holding
- Contribution by VINCI Concessions to VINCI Autoroutes of its shareholdings in Cofiroute and Cofiroute Holding.

The main consequences on VINCI Concessions' consolidation scope are:

a. maintenance of control with a percentage shareholding reduced from 83.33% to 44.41% in Cofiroute (and Cofiroute Holding);

b. the change from equity accounting at 8.92% to full consolidation of respectively 53.29% and 52.91% of ASF and Escota.

1. Accounting treatment of the reorganisation of VINCI Autoroutes

a. Transactions between shareholders: Cofiroute and Cofiroute Holding

The reduction in the percentage shareholding in Cofiroute is a transaction between shareholders treated in the accounts at transaction date as an equity transaction with no effect on profit or loss (seer Note B.2.6.).

b. Combination of entities under common control: ASF and Escota

The reorganisation results in reclassification of shareholdings within the Group, with no change to the control exercised by VINCI SA over those subsidiaries. Combinations of entities under common control are excluded from the scope of IFRS 3 "Business Combinations". In the absence of IFRS policies on combination of entities under common control, the accounting treatment adopted has been analysed in the light of the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and in particular paragraph 10 "Selection and application of accounting policies". VINCI Concessions has used judgement in developing and applying an accounting method to record these transactions.

On this basis, VINCI Concessions' consolidated financial statements at 31 December 2011 have been presented using a method that aims to recognise the assets and liabilities acquired or contributed, under common control, at their carrying amount in the consolidated financial statements of VINCI SA at the transaction date.

2. Pro forma consolidated financial statements

The pro forma consolidated financial statements, provided for information, have been prepared with retroactive effect at 1 January 2010 on the basis of the carrying amounts in the consolidated financial statements of VINCI SA.

2.1. Income statement

(in € millions)	2011 pro forma	2010 pro forma	2010 as published	*Pro forma impacts*
Revenue (*)	**5,236.0**	**5,042.3**	**1,968.2**	***3,074.1***
Concession subsidiaries' revenue derived from works	*1,067.9*	*903.6*	*227.2*	*676.4*
Total revenue	*6,303.8*	*5,945.9*	*2,195.4*	*3,750.5*
Revenue from ancillary activities	15.9	12.8	19.6	*(6.8)*
Operating expenses	(4,190.8)	(3,891.5)	(1,466.5)	*(2,425.1)*
Operating income from ordinary activities	**2,129.0**	**2,067.1**	**748.6**	***1,318.5***
Share-based payments (IFRS 2)	(10.7)	(7.5)	(3.8)	*(3.7)*
Goodwill impairment expense				
Profit/(loss) of companies accounted for under the equity method	(11.1)	(1.6)	48.1	*(49.7)*
Operating income	**2,107.2**	**2,058.1**	**792.9**	***1,265.2***
Cost of gross financial debt	(739.9)	(692.3)	(223.5)	*(468.8)*
Financial income from cash investments	18.5	10.7	8.4	*2.3*
Cost of net financial debt	**(721.4)**	**(681.5)**	**(215.1)**	***(466.4)***
Other financial income	80.1	88.5	47.1	*41.4*
Other financial expense	(24.0)	(95.8)	(72.6)	*(23.2)*
Income tax expense	(609.9)	(494.4)	(181.9)	*(312.5)*
Net income for the period	**832.0**	**874.7**	**370.3**	***504.4***
Net income for the period attributable to attributable to non-controlling interests	406.9	436.1	57.8	*378.2*
Net income for the period attributable to owners of the parent	**425.2**	**438.7**	**312.5**	***126.2***
Earnings per share attributable to owners of the parent	**1.11**	**1.14**	**1.07**	***0.07***

(*) Excluding concession subsidiaries' revenue derived from works

2.2. Comprehensive income statement

	2011 pro forma			2010 pro forma			2010 as published		
(in € millions)	Attributable [redacted]	[redacted]					Attributable to owners of the parent	Attributable to non-controlling interests	[redacted]
Net income for the period	**425.2**	**406.9**	**832.0**	**438.7**	**436.1**	**874.7**	**312.5**	**57.8**	**370.3**
Financial instruments of controlled companies: changes in fair value	(94.3)	(31.4)	(125.8)	(26.4)	(14.8)	(41.2)	(10.8)	(1.2)	(12.0)
of which:									
Available-for-sale financial assets	*(19.9)*		*(19.9)*	*9.0*		*9.0*	*9.0*		*9.0*
Cash flow hedges (*)	*(74.5)*	*(31.4)*	*(105.9)*	*(35.4)*	*(14.8)*	*(50.2)*	*(19.8)*	*(1.2)*	*(21.0)*
Financial instruments of companies accounted for under the equity method: changes in fair value	(200.6)		(200.6)	(65.8)		(65.8)	(68.5)		(68.5)
Currency translation differences	1.7	0.2	1.9	3.7	0.5	4.2	3.5	0.1	3.6
Tax (**)	95.1	10.9	106.1	26.2	5.1	31.3	21.8	0.4	22.2
Income and expense for the period recognised directly in equity	(198.1)	(20.2)	(218.3)	(62.3)	(9.3)	(71.5)	(54.0)	(0.7)	(54.7)
of which, controlled companies	*(60.7)*	*(20.2)*	*(81.0)*	*(13.4)*	*(9.3)*	*(22.7)*	*(3.1)*	*(0.7)*	*(3.8)*
of which, companies accounted for under the equity method	*(137.3)*		*(137.3)*	*(48.9)*		*(48.9)*	*(50.8)*		*(50.8)*
Total comprehensive income for the period	**227.1**	**386.6**	**613.7**	**376.4**	**426.8**	**803.2**	**258.5**	**57.2**	**315.6**

(*) Changes in the fair value of cash flow hedges (interest-rate hedges) are recognised in equity for the effective portion. Cumulative gains and losses in equity are taken to profit or loss at the time when the cash flow affects profit or loss.

(**) €95.1 million of tax effects relating to changes in the fair value of financial instruments (€26.2 million at 31 December 2010), including +€6.8 million relating to available-for-sale financial assets (–€3.1 million at 31 December 2010) and €88.3 million relating to cash flow hedges (effective part) (+€29.3 million at 31 December 2010).

3. Balance sheet

Assets

(in € millions)	31/12/2011 pro forma	31/12/2010 pro forma	31/12/2010 published	1/1/2010 pro forma	1/1/2010 published	*Pro forma impacts*
Non-current assets						
Concession intangible assets	23,796.2	23,652.8	6,919.6	23,815.8	7,064.6	*16,751.1*
Goodwill	2,298.1	2,296.1	361.4	2,293.5	358.8	*1,934.7*
Other intangible assets	74.8	55.4	25.8	41.8	16.0	*25.8*
Property, plant and equipment	1,557.1	1,609.4	873.6	1,573.4	854.8	*718.6*
Investment property	0.5	0.5	0.5	0.6	0.6	
Investments in companies accounted for under the equity method	138.4	119.7	524.9	108.5	518.4	*(409.9)*
Other non-current financial assets	870.4	564.8	399.4	442.5	327.9	*114.5*
Deferred tax assets (non-current)	384.8	350.1	154.5	305.5	115.7	*189.8*
Total non-current assets	**29,120.3**	**28,648.8**	**9,259.8**	**28,581.5**	**9,256.8**	***19,324.7***
Current assets						
Inventories and work in progress	12.5	12.1	3.0	12.4	3.5	*8.9*
Trade receivables	451.9	391.9	168.2	388.9	170.8	*218.2*
Other current operating assets	325.5	333.9	185.8	264.8	126.9	*137.8*
Current tax assets	13.5	15.4	8.4	10.5	10.5	*0.0*
Deferred tax assets (current)	33.1	35.2	12.2	35.6	10.5	*25.2*
Other current financial assets	303.8	248.9	160.2	211.5	121.6	*89.9*
Cash management financial assets	436.1	61.5	59.0	46.3	33.0	*13.3*
Cash and cash equivalents	415.9	501.4	447.6	651.8	432.0	*219.8*
Total current assets	**1,992.1**	**1,600.3**	**1,044.5**	**1,621.8**	**908.7**	***713.1***
Total assets	**31,112.4**	**30,249.1**	**10,304.3**	**30,203.3**	**10,165.5**	***20,037.8***

Equity and liabilities

(in € millions)	31/12/2011 pro forma	31/12/2010 pro forma	31/12/2010 published	1/1/2010 pro forma	1/1/2010 published	*Pro forma impacts*
Equity						
Share capital	4,306.9	4,306.9	3,275.5	4,306.9	3,275.5	*1,031.4*
Share premium	1,798.2	1,798.2	917.8	1,798.2	917.8	*880.4*
Consolidated reserves	(3,499.3)	(3,187.1)	(2,215.9)	(4,584.5)	(3,623.0)	*(961.5)*
Currency translation reserves	(9.2)	(11.0)	(10.5)	(14.4)	(13.7)	*(0.7)*
Net income for the period attributable to owners of the parent	425.2	438.7	312.5	2,132.0	1,551.1	*580.8*
Amounts recognised directly in equity	(383.0)	(183.2)	(144.2)	(116.8)	(86.3)	*(30.5)*
Equity attributable to owners of the parent	**2,638.8**	**3,162.5**	**2,135.1**	**3,521.3**	**2,021.3**	***1,500.0***
Non-controlling interests	2,824.3	2,912.4	390.3	2,521.7	370.7	*2,151.0*
Total equity	**5,463.1**	**6,074.9**	**2,525.4**	**6,043.0**	**2,392.1**	***3,650.9***
Non-current liabilities						
Non-current provisions	521.3	341.2	236.9	224.4	120.4	*104.0*
Bonds	6,908.1	6,019.9	2,244.8	5,317.9	2,244.6	*3,073.3*
Other loans and borrowings	10,462.5	10,598.7	3,253.8	11,161.2	3,221.0	*7,940.2*
Other non-current liabilities	18.6	185.8	112.1	132.9	84.0	*48.8*
Deferred tax liabilities (non-current)	2,455.1	2,626.6	396.7	2,707.9	388.6	*2,319.3*
Total non-current liabilities	**20,365.6**	**19,772.3**	**6,244.3**	**19,544.3**	**6,058.7**	***13,485.7***
Current liabilities						
Current provisions	581.3	591.4	232.1	571.4	215.1	*356.4*
Trade payables	228.5	231.8	155.1	204.4	146.1	*58.3*
Other current payables	1,165.2	1,008.4	390.8	911.2	381.5	*529.8*
Current tax liabilities	184.9	82.7	24.3	137.6	74.6	*63.0*
Deferred tax liabilities (current)	35.5	34.3	19.5	35.3	18.0	*17.3*
Current borrowings	3,088.4	2,453.4	712.8	2,756.0	879.5	*1,876.5*
Total current liabilities	**5,283.7**	**4,401.8**	**1,534.6**	**4,616.0**	**1,714.8**	***2,901.2***
Total equity and liabilities	**31,112.4**	**30,249.1**	**10,304.3**	**30,203.3**	**10,165.5**	***20,037.8***

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4. Cash flow statement

(in € millions)	2011 pro forma	31/12/2010 pro forma	2010 as published	*Pro forma impacts*
Consolidated net income for the period (including non-controlling interests)	**832.0**	**874.7**	**370.3**	***504.4***
Net depreciation and amortisation	1,160.3	1,117.9	320.6	*797.2*
Net increase/(decrease) in provisions	77.1	78.2	62.5	*15.7*
Share-based payments (IFRS 2) and other restatements	(8.0)	(5.1)	(0.5)	*(4.6)*
Gain or loss on disposals	(1.3)	5.6	3.9	*1.7*
Change in fair value of financial instruments	(0.5)	(1.1)	(1.1)	*0.0*
Share of profit or loss of companies accounted for under the equity method, dividends received from unconsolidated companies and profit or loss from operations classified as held for sale	5.6	(3.7)	(53.2)	*49.5*
Capitalised borrowing costs	(60.5)	(76.7)	(36.0)	*(40.8)*
Cost of net financial debt recognised	721.4	681.5	215.1	*466.4*
Current and deferred tax expense recognised	609.9	494.4	181.9	*312.5*
Cash flows (used in)/from operations before tax and financing costs	**3,336.0**	**3,165.6**	**1,063.6**	***2,102.1***
Changes in working capital requirement and current provisions	(55.1)	(6.2)	11.4	*(17.6)*
Income taxes paid	(653.5)	(666.6)	(260.3)	*(406.3)*
Net interest paid	(731.2)	(724.7)	(223.5)	*(501.1)*
Dividends received from companies accounted for under the equity [redacted]	8.5	7.6	58.1	*(50.5)*
Cash flows (used in)/from operating activities I	**1,904.8**	**1,775.8**	**649.3**	***1,126.5***
Purchases of property, plant and equipment, and intangible assets	*(53.9)*	*(43.0)*	*(29.6)*	*(13.4)*
Proceeds from sales of property, plant and equipment, and intangible assets	*1.0*	*2.9*	*1.0*	*1.8*
Net operating investments	**(52.8)**	**(40.1)**	**(28.6)**	***(11.5)***
Operating cash flow	***1,843.4***	***1,728.1***	***620.7***	***1,165.5***
Investments in concession fixed assets (net of grants received)	*(1,094.1)*	*(829.5)*	*(174.5)*	*(655.0)*
Financial receivables (PPP contracts and others)	*(2.2)*	*(15.2)*	*(15.2)*	*0.0*
Investments in concessions and PPP contracts	**(1,096.3)**	**(844.8)**	**(189.8)**	***(655.0)***
Free cash flow	***747.1***	***883.3***	***430.9***	***510.5***
Purchases of shares in subsidiaries and affiliates (consolidated and unconsolidated)	*(19.8)*	*(10.5)*	*(10.4)*	*(0.0)*
Proceeds from sales of shares in subsidiaries and affiliates (consolidated and unconsolidated)	*1.1*	*7.7*	*7.7*	*(0.0)*
Net effect of changes in scope of consolidation	*4.6*	*(11,821.6)*	*(4.2)*	*(11,817.4)*
Net financial investments	**(14.2)**	**(11,824.3)**	**(6.9)**	***(11,817.4)***
Other	(215.8)	(765.0)	(30.5)	*(734.4)*
Net cash flows (used in)/from investing activities II	**(1,379.1)**	**(13,474.2)**	**(255.9)**	***(13,218.4)***
Changes in share capital		2,015.0		*2,015.0*
Non-controlling interests in changes in subsidiaries' share capital	0.9	(2,014.7)	0.0	*(2,014.7)*
Changes in shareholdings without acquisition or loss of control of subsidiaries				*0.0*
Dividends paid				*0.0*
- to shareholders of VINCI Concessions	*(749.6)*	*(726.9)*	*(143.3)*	*(583.6)*
- to non-controlling interests	*(478.7)*	*(40.0)*	*(37.6)*	*(2.4)*
Proceeds from new borrowings	658.5	671.3	16.5	*654.8*
Repayment of borrowings and changes in other current financial debt	455.9	(743.6)	(2.2)	*(741.4)*
Change in cash management assets	(39.0)	(30.3)		*(30.3)*
Net cash flows (used in)/from financing activities III	**(152.1)**	**(869.1)**	**(166.5)**	***(702.6)***
Change in net cash I+II+III	**373.6**	**(12,567.6)**	**226.9**	***(12,794.5)***
Net cash and cash equivalents at beginning of period	(636.7)	(185.3)	(185.3)	*(0.0)*
Other changes	166.9	12,116.2	0.1	*12,116.0*
Net cash and cash equivalents at end of period	**(96.3)**	**(636.7)**	**41.7**	***(678.4)***
Increase/(decrease) of cash management financial assets	39.0	30.3	0.0	*30.3*
(Proceeds from)/repayment of loans	(1,114.3)	72.3	(14.4)	*86.6*
Other changes	(100.0)	(12,081.9)	(23.8)	*(12,058.2)*
Change in net financial debt	(634.9)	(12,430.7)	188.9	*(12,619.6)*
Net financial debt at beginning of period	**(18,248.8)**	**(5,818.1)**	**(5,818.1)**	***0.0***
Net financial debt at end of period	**(18,883.7)**	**(18,248.8)**	**(5,629.1)**	***(12,619.6)***

5. Change in equity

(in € millions)	Share capital	Share premium	Other equity instruments	Consolidated reserves	Net income for the period	Currency translation reserves	Amounts recognised directly in equity	Total attributable to owners of the parent	Non-controlling interests	Total
	Equity attributable to owners of the parent									
Pro forma equity at 1/1/2010	**4,306.9**	**1,798.2**		**(4,584.5)**	**2,132.0**	**(14.4)**	**(116.8)**	**3,521.3**	**2,521.7**	**6,043.0**
Net income for the period					438.7			438.7	436.1	874.7
Income and expense for the period recognised directly in equity of controlled companies				0.2	(0.0)	3.7	(17.3)	(13.4)	(9.3)	(22.7)
Income and expense for the period recognised directly in equity of companies accounted for under the equity method						(0.2)	(48.7)	(48.9)		(48.9)
Total comprehensive income for the period				**0.2**	**438.7**	**3.5**	**(66.0)**	**376.4**	**426.8**	**803.2**
Increase in share capital									0.0	0.0
Decrease in share capital										
Transactions on treasury shares										
Allocation of net income and dividend payments				1,374.1	(2,101.1)			(726.9)	(40.0)	(766.9)
Share-based payments (IFRS 2)				(2.6)				(2.6)	(1.7)	(4.3)
Impact of acquisitions or disposals of non-controlling interests after acquisition of control										
Changes in consolidation scope				25.7	(30.9)	(0.0)	(0.4)	(5.6)	5.6	(0.0)
Other				(0.1)				(0.1)		(0.1)
Change in equity relating to equity accounted companies										
Pro forma equity at 31/12/2010	**4,306.9**	**1,798.2**		**(3,187.1)**	**438.7**	**(11.0)**	**(183.2)**	**3,162.5**	**2,912.4**	**6,074.9**
Net income for the period					425.2			425.2	406.9	832.0
Income and expense for the period recognised directly in equity of controlled companies						1.0	(61.8)	(60.7)	(20.2)	(81.0)
Income and expense for the period recognised directly in equity of companies accounted for under the equity method						0.6	(138.0)	(137.3)		(137.3)
Total comprehensive income for the period					**425.2**	**1.7**	**(199.8)**	**227.1**	**386.6**	**613.7**
Increase in share capital									4.0	4.0
Decrease in share capital										
Transactions on treasury shares										
Allocation of net income and dividend payments				(311.0)	(438.7)			(749.6)	(478.7)	(1,228.3)
Share-based payments (IFRS 2)										
Impact of acquisitions or disposals of non-controlling interests after acquisition of control										
Changes in consolidation scope				(0.2)		0.1		(0.2)		(0.2)
Other				(1.1)				(1.1)	0.0	(1.0)
Change in equity relating to equity accounted companies										
Pro forma equity at 31/12/2011	**4,306.9**	**1,798.2**		**(3,499.3)**	**425.2**	**(9.2)**	**(383.0)**	**2,638.8**	**2,824.3**	**5,463.1**

D. Notes to the income statement

1. Operating income

(in € millions)	2011	2010
Revenue (*)	**2,769.6**	**1,968.2**
Concession subsidiaries' revenue derived from works	*460.8*	*227.2*
Total revenue	*3,230.5*	*2,195.4*
Revenue from ancillary activities	11.2	19.6
Purchases consumed	(50.1)	(43.8)
External services	(276.9)	(288.8)
Temporary employees	(41.1)	(28.4)
Subcontracting	(97.3)	(79.1)
Concession operating companies' construction costs	(460.6)	(226.9)
Taxes and levies	(281.8)	(162.4)
Employment costs	(417.9)	(310.0)
Other operating income and expense	(0.9)	(0.0)
Depreciation and amortisation (**)	(557.0)	(320.6)
Net provision expense (***)	(63.1)	(6.4)
Operating expenses	**(2,246.7)**	**(1,466.5)**
Operating income from ordinary activities	**995.0**	**748.6**
% of revenue (****)	*35.9%*	*38.0%*
Share-based payment expense (IFRS 2)	(8.1)	(3.8)
Goodwill impairment expense	-	-
Profit/(loss) of companies accounted for under the equity method	30.2	48.1
Operating income	**1,017.0**	**792.9**
% of revenue (****)	*36.7%*	*40.3%*

(*) Excluding concession subsidiaries' revenue derived from works

(**) Including reversals of amortisation relating to investment grants.

(***) Comprises expenses and reversals of non-current provisions (see Note F.17.2 "Other non-current provisions") and of current provisions (see Note F.18.2 "Breakdown of current provisions").

(****) Percentage calculated on revenue excluding concession subsidiaries' revenue derived from works.

Operating income from ordinary activities measures the operating performance of the Group's subsidiaries before the effects of share-based payments (IFRS 2), goodwill impairment losses and profit or loss of associates.
It was €995.0 million at 31 December 2011 (35.9% of revenue excluding revenue from construction of new infrastructure) compared with €748.6 million at 31 December 2010 on a comparable basis (38.0% of revenue excluding revenue from construction of new infrastructure).

Operating income, after taking account of share-based payment expenses, goodwill impairment losses and the profit or loss of associates, was €1,017.0 million at 31 December 2011 (36.7% of revenue excluding revenue from construction of new infrastructure) compared with €792.9 million at 31 December 2010 on a comparable basis (40.3% of revenue excluding revenue from construction of new infrastructure).

1.1 Depreciation and amortisation

(in € millions)	31/12/2011	31/12/2010
Concession intangible assets	(433.8)	(236.6)
Intangible assets	(6.1)	(2.7)
Property, plant and equipment	(117.1)	(81.3)
Depreciation and amortisation	**(557.0)**	**(320.6)**

1.2 Share-based payments (IFRS 2)

The expense recognised in respect of employee benefits has been estimated at €8.1 million for 2011 comprising €1.2 million in respect of share options (€0.6 million in 2010), €4.5 million in respect of the free share plan (€2.0 million in 2010) and €2.3 million in respect of the Group Savings Scheme (€1.2 million in 2010).

2. Cost of net financial debt

(in € millions)	31/12/2011	31/12/2010
Cost of gross financial debt	(362.9)	(223.5)
Financial income from cash investments	16.1	8.4
Cost of net financial debt recognised	**(346.8)**	**(215.1)**
Other financial income	34.6	47.1
Other financial expense	(21.1)	(72.6)
Other financial income and expense	**13.5**	**(25.6)**

The cost of net financial debt amounted to €346.8 million at 31 December 2011 (€215.1 million at 31 December 2010).

Other financial income and expense amounted to net income of €13.5 million at 31 December 2011, compared with an expense of €25.6 million at 31 December 2010.

3. Other financial income and expense

3.1 Other financial income

(in € millions)	31/12/2011	31/12/2010
Capitalised borrowing costs	15.0	36.0
Dividends received from unconsolidated companies	5.5	5.1
Foreign exchange gains	7.1	2.3
Gains on disposals	0.5	
Other financial income (including reversals of provisions)	6.6	3.7
Other financial income	**34.6**	**47.1**

Other financial income includes in particular capitalised borrowing costs on concession assets under construction for €15.0 million at 31 December 2011 (including €10.2 million for ASF) compared with €36.0 million at 31 December 2010 (including €33.5 million for Cofiroute).

3.2 Other financial expense

(in € millions)	31/12/2011	31/12/2010
Effect of discounting to present value	(10.8)	(11.1)
Foreign exchange losses	(6.3)	(1.7)
Losses on disposals		(3.8)
Other financial expense (including provision expenses)	(4.1)	(56.0)
Other financial expense	**(21.1)**	**(72.6)**

Other financial expense includes the effects of discounting assets and liabilities at more than one year to present value for €10.8 million at 31 December 2011, compared with €11.1 million at 31 December 2010.
The effect of discounting to present value relates mainly to provisions for retirement benefit obligations for €2.6 million at 31 December 2011 (€1.5 million at 31 December 2010) and to provisions for the obligation to maintain the condition of concession assets, for €8.1 million at 31 December 2011 (€9.5 million at 31 December 2010).

4. Income tax expense

4.1 Breakdown of net tax expense

(in € millions)	31/12/2011	31/12/2010
Current tax	(434.9)	(211.7)
Deferred tax	104.4	29.8
TOTAL	(330.5)	(181.9)

The income tax expense amounted to €330.5 million at 31 December 2011, compared with €181.9 million at 31 December 2010. The increase mainly relates to ASF Group, for €95.7 million.
The 2011 net tax expense mainly comprises the tax recognised by Cofiroute (€173.9 million compared with €165.2 million in 2010), ASF (€55.6 million), Escota (€23.2 million) and ASF Holding (€17.0 million).

4.2 Effective tax rate

The difference between the tax calculated using the standard tax rate in force in France and the amount of tax effectively recognised in the period can be analysed as follows:

(in € millions)	31/12/2011	31/12/2010
Income before tax and profit or loss of associates	653.537	504.1
Theoretical tax rate in France	34.43%	34.43%
Theoretical tax expense expected	**225.0**	**173.6**
Impact of taxes due on income taxed at lower rate		
Impact of tax loss carryforwards and other unrecognised or previously capped temporary differences	(4.6)	7.1
Tax rate differences (foreign countries)	(5.9)	1.4
Permanent differences and miscellaneous	115.9	(0.2)
Tax expense recognised	**330.5**	**181.9**
Effective tax rate	50.57%	36.09%

The permanent differences include the effects related to the taxation of exceptional dividends paid in the period, for €99.6 million.

4.3 Breakdown of deferred tax assets and liabilities

(in € millions)	Assets	Liabilities	Net
31 December 2011			
Arising from carryforward tax losses	-	-	-
Arising from temporary differences	417.9	2,490.6	(2,072.7)
Net deferred tax recognised	**417.9**	**2,490.6**	**(2,072.7)**
31 December 2010			
Arising from carryforward tax losses	-	-	-
Arising from temporary differences	166.8	416.2	(249.4)
Net deferred tax recognised	**166.8**	**416.2**	**(249.4)**

5. Earnings per share

Basic earnings per share is calculated on the basis of the number of shares outstanding. VINCI Concessions has issued no instruments convertible to shares and potentially dilutive.

The table below shows earnings per share:

	31/12/2011	31/12/2010
Net income attributable to owners of the parent in € millions	287.6	312.5
Number of shares	384,546,935	292,453,700
Basic earnings per share (in €)	**0.75**	**1.07**

E. Notes to the balance sheet

6. Concession intangible assets

Breakdown of concession intangible assets by type of infrastructure

(in € millions)	Motorways (*)	Car parks	Other infrastructure	Total
Gross				
1/1/2010	**7,924.4**	**1,158.4**	**617.1**	**9,699.9**
Acquisitions in the period	180.8	23.3	35.2	239.4
Disposals and retirements in the period		(53.0)	(1.7)	(54.7)
Other movements	1.4	2.1	(0.4)	3.1
Grants received	(119.1)	1.0	0.9	(117.1)
31/12/2010	**7,987.5**	**1,131.8**	**651.1**	**9,770.5**
Acquisitions in the period	384.4	28.7	49.7	462.9
Disposals and retirements in the period	(1.1)	(4.3)	(0.1)	(5.5)
Other movements	25,630.0	4.2	(36.6)	25,597.6
Grants received	(210.3)	0.1	(20.0)	(230.2)
31/12/2011	**33,790.6**	**1,160.6**	**644.1**	**35,595.3**
Amortisation and impairment losses				
1/1/2010	**(1,961.7)**	**(531.2)**	**(142.3)**	**(2,635.3)**
Net amortisation in the period	(182.4)	(11.2)	(18.1)	(211.6)
Goodwill impairment expense net of reversals		(0.5)	0.0	(0.5)
Other movements	(0.9)	(2.4)	(0.1)	(3.5)
31/12/2010	**(2,145.0)**	**(545.4)**	**(160.4)**	**(2,850.8)**
Net amortisation in the period	(380.0)	(31.7)	(23.1)	(434.8)
Goodwill impairment expense net of reversals		2.0	42.1	44.0
Other movements	(8,467.5)	(2.1)	(87.8)	(8,557.4)
31/12/2011	**(10,992.6)**	**(577.2)**	**(229.3)**	**(11,799.1)**
			0	
Net				
1/1/2010	5,962.7	627.1	474.8	7,064.6
31/12/2010	5,842.5	586.5	490.7	6,919.6
31/12/2011	22,798.0	583.4	414.8	23,796.2

(*) Motorways in France and foreign motorway concessions.

The investments for the period, excluding capitalised borrowing costs, amounted to €447.9 million (€203.4 million in 2010). They mainly comprise the investments by Cofiroute for €127.3 million (€142.4 million in 2010), and by the ASF Group for €239.2 million.
Borrowing costs included in the cost of concession assets in 2011 before their entry into service amounted to €15.0 million (including €13.9 million for the ASF Group).
The other changes in the period relate mainly to first consolidation of the VINCI Autoroutes Group.

Due to the deterioration of traffic and revenue of Gefyra (the company operating the concession for the toll bridge between Rion and Antirion in Greece) an impairment loss of €45.8 million has been recognised against that company's assets.

Concession intangible assets include assets under construction for €2,088.9 million at 31 December 2011 including €1,510.4 million for ASF, €459.8 million for Escota and €82.3 million for Cofiroute.

The main concession contracts reported using the intangible asset model and the bifurcated model, together with the related commitments, are described in Note G. "Note on the main features of concession contracts and PPPs". The main commitments related to these contracts are mentioned in Note G.22.2 "Commitments made under concession contracts - intangible asset model".

7. Goodwill

Changes in the period were as follows:

(in € millions)	31/12/2011	31/12/2010
Net at the beginning of the period	**361.4**	**358.8**
Goodwill recognised during the period		0.5
Impairment losses		
Currency translation differences	0.2	2.1
Entities no longer consolidated		
Other movements	1,936.5	0.0
Net at the end of the period	**2,298.1**	**361.4**

The other movements relate to the first consolidation of ASF in connection with the reorganisation of VINCI Autoroutes.

The main items of goodwill at 31 December 2011 were as follows:

	31/12/2011			31/12/2010
(in € millions)	Gross	Impairment losses	Net	Net
ASF Group	1,934.7		1,934.7	
VINCI Park (formerly Sogeparc and Finec)	343.3		343.3	343.3
Other goodwill items individually less than €50 million (*)	20.1		20.1	18.1
Total	2,298.1		2,298.1	361.4

(*) Net amount for individual entities, in each of the two periods.

8. Other intangible assets

The change for the period breaks down as follows:

(in € millions)	Gross	Amortisation and impairment losses	Net
31/12/2010	**39.0**	**(13.2)**	**25.8**
Increases during the period	17.8	(6.8)	11.0
Decreases during the period	(0.3)	0.1	(0.3)
Currency translation differences			0.0
Changes in consolidation scope and other reclassifications	160.1	(121.9)	38.2
31/12/2011	**216.6**	**(141.8)**	**74.8**

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9. Property, plant and equipment

(in € millions)	Concession operating fixed assets	Other property, plant and equipment	Total
Gross			
1/1/2010	**972.0**	**374.5**	**1,346.5**
Acquisitions in the period	85.1	28.2	113.4
Disposals and retirements during the period	(22.1)	(8.4)	(30.5)
Other movements	(1.3)	3.1	1.8
31/12/2010	**1,033.7**	**397.4**	**1,431.1**
Acquisitions in the period	137.9	23.0	160.9
Disposals and retirements during the period	(30.2)	(14.2)	(44.3)
Other movements	1,993.6	18.4	2011.9
31/12/2011	**3,135.1**	**424.6**	**3,559.6**
Depreciation and impairment losses			
1/1/2010	**(333.7)**	**(158.0)**	**(491.7)**
Net depreciation in the period	(49.4)	(10.8)	(60.2)
Goodwill impairment expense net of reversals	(0.5)	1.7	1.2
Other movements	0.2	(7.0)	(6.9)
31/12/2010	**(383.5)**	**(174.1)**	**(557.5)**
Net depreciation in the period	(72.8)	(6.0)	(78.8)
Goodwill impairment expense net of reversals	(0.7)	(0.3)	(1.0)
Other movements	(1,356.4)	(8.9)	(1,365.3)
31/12/2011	**(1,813.3)**	**(189.2)**	**(2,002.5)**
Net			
1/1/2010	**638.3**	**216.5**	**854.8**
31/12/2010	**650.3**	**223.3**	**873.6**
31/12/2011	**1,321.8**	**235.3**	**1,557.1**

10. Impairment tests on goodwill and other non-financial assets

In accordance with IAS 36 "Impairment of Assets", goodwill and other non-financial assets have been tested for impairment at 31 December 2011.

The value in use of cash-generating units is determined by discounting the forecasted operating cash flows before tax (operating income plus depreciation and amortisation plus non-current provisions less operating investments less change in operating working capital requirement), at the rates below.

10.1 Impairment tests on goodwill

Goodwill was tested for impairment using the following assumptions:

	Carrying amount of goodwill 31/12/2011	Parameters of the model applied to cash flow forecasts				Impairment losses recognised in the period	
		Growth rate (Years Y+1 to Y+5)	Growth rate (terminal value)	Pre-tax discount rate			
(in € millions)				**31/12/2011**	31/12/2010	**2011**	2010
ASF Group	1,934.7	(*)	(*)	9.73%	9.68%		
VINCI Park	343.3	(*)	(*)	9.12%	9.89%	-	-
Other goodwill	20.1	0 to 8%	0 to 5%	6.10% to 31.39%	6.11% to 17.21%	-	-
Total	**2,298.1**					-	-

(*) Cash flow projections are determined over the length of concession contracts using an average revenue growth rate of 1.8% for the ASF Group (taking account of the end of the Escota concession in 2028; the growth rate for the period that is common to the ASF and Escota concessions is 3%) and 3% overall for VINCI Park.

Sensitivity of the value in use of cash-generating units to the assumptions made
The following table shows the sensitivity of the enterprise value to the assumptions made for the main goodwill items:

Sensitivity to interest rates

	Discount rate for cash flows		Growth rate to infinity for cash flows	
(in € millions)	0.50%	-0.50%	0.50%	-0.50%
ASF Group	(944.0)	1,009.2	0.1	0.1
VINCI Park	(145.1)	1.9	0.1	0.1

At 31 December 2011, an increase (or decrease) of 50 basis points in the assumptions adopted would not lead to material impairment losses in the Group's consolidated financial statements.

Sensitivity to cash flows

	Change in forecast pre-tax operating cash flows	
(in € millions)	0.50%	-0.50%
ASF Group	(944.0)	1,009.2
VINCI Park	(145.1)	1.9

At 31 December 2011, a 5% increase or decrease in forecast operating cash flows would not lead to material impairment losses in the Group's consolidated financial statements.

10.2 Impairment of other non-current assets

In 2011, the Group recognised impairment losses of €49.0 million mainly in respect of the assets of Gefyra in Greece (see Note F.9 "Concession intangible assets").

11. Investments in companies accounted for under the equity method

11.1 Movements during the period

(in € millions)	**31/12/2011**	31/12/2010
Value of shares at start of the period	**524.9**	**518.4**
Increase of share capital of companies accounted for under the equity method	8.3	5.3
Group share of profit or loss for the period	30.2	48.1
Dividends paid	(8.5)	(58.1)
Changes in consolidation scope and translation differences	(449.5)	(2.7)
Net change in fair value of financial instruments	(138.0)	(50.5)
Reclassifications (*)	171.0	64.3
Value of shares at end of period	**138.4**	**524.9**

(*) Reclassifications corresponding to the attributable portion of equity-accounted shareholdings in companies with negative net assets, mainly taken to other non-current provisions.

The changes in scope relate to the first consolidation of ASF in connection with the reorganisation of VINCI Autoroutes (see Note C. "Reorganisation of VINCI Autoroutes").

11.2 Financial information on companies accounted for under the equity method

Main financial data

The main financial data on the companies accounted for under the equity method are as follows (Group share):

(in € millions)	**31/12/2011**	31/12/2010
Income statement		
Revenue	1,236.5	1,002.9
Revenue - excluding construction of new infrastructure assets under concession	*418.7*	*393.5*
Revenue – from construction of new infrastructure assets under concession	*817.8*	*545.4*
Operating income	200.8	170.6
Net income for the period	33.9	49.2
Balance sheet		
Non-current assets	3,728.0	3,110.7
Current assets	578.9	256.4
Equity	169.1	332.1
Non-current liabilities	3,289.9	2,376.7
Current liabilities	847.9	658.3
Net financial debt	(2,655.7)	(2,064.1)
Investment commitments	2,294.8	737.6

These data include the contribution of ASF Group in 2010 and until 28 September 2011.

Non-current assets include in particular concession fixed assets, for concession operating companies, and financial receivables for public-private partnership projects.

The main features of concession and public-private partnership contracts are given in Note G.24 "Concession and PPP contracts of companies accounted for under the equity method". The list of companies accounted for under the equity method and the Group's percentage shareholdings are given in Note I "Main consolidated companies at 31 December 2011".

11.3 Other information on companies accounted for under the equity method

Commitments made by the Group to provide funding

(in € millions)	**31/12/2011**	31/12/2010
Commitments made by the Group to provide funding (capital and/or subordinated debt)	470.0	399.6

Collateral security

Collateral security has been given by VINCI Concessions with regard to project companies, in the form of pledges of shares. The carrying amount of the shares pledged was €30.9 million at 31 December 2011 and related mainly to the SMTPC and Prado Sud project companies, for €18.5 million and €8.6 million respectively.

12. Other non-current financial assets

(in € millions)	31/12/2011	31/12/2010
Available-for-sale financial assets	191.8	201.8
Loans and receivables at amortised cost	253.6	168.9
of which, financial assets under PPPs	*113.8*	*77.0*
Fair value of derivative financial instruments (non-current assets) (*)	425.0	28.7
Other non-current financial assets	870.4	399.4

(**) See Note F.20 "Financial risk management"

Available-for-sale financial assets at 31 December 2011 amounted to €191.8 million (€201.8 million at 31 December 2010). These comprise listed shareholdings for €180.3 million (including shares in ADP for €173.5 million representing the 3.3% shareholding) and unlisted shareholdings for €11.5 million, in subsidiaries that do not meet VINCI Concessions' minimum financial criteria for consolidation.

Loans and receivables at amortised cost amounted to €253.6 million at 31 December 2011 (€168.9 million at 31 December 2010). They include other loans and receivables for €139.8 million (including receivables relating to shareholdings and guarantee deposits), financial receivables under public-private partnerships managed by VINCI Concessions subsidiaries and affiliated entities for €113.8 million.

12.1 Available-for-sale assets, loans and receivables

Available-for-sale assets and loans and receivables at amortised cost break down as follows:

	Available-for-sale financial assets		Loans and receivables at amortised cost			
(in € millions)	Shares in subsidiaries and affiliates at fair value	Investments in unlisted subsidiaries and affiliates	Financial assets (PPP)	Collateralised loans and receivables	Other loans and receivables	Total
1/1/2010	**190.8**	**1.7**	**61.9**	**6.2**	**43.9**	**304.6**
Acquisitions in the period	0.0	0.0	20.0	34.3	2.9	57.2
Fair value adjustment recognised in equity	9.0					9.0
Goodwill impairment expense net of reversals						0.0
Disposals and retirements in the period	(0.1)	(0.1)	(4.8)		(0.1)	(5.1)
Other movements	0.2	0.2	(0.0)	(40.2)	44.9	5.0
31/12/2010	**199.9**	**1.9**	**77.0**	**0.3**	**91.5**	**370.7**
Acquisitions in the period	0.2	8.9	9.9		10.3	29.3
Fair value adjustment recognised in equity		0.5				0.5
Goodwill impairment expense net of reversals		0.0			(0.9)	(0.9)
Disposals and retirements in the period	(0.2)		(8.2)		(0.3)	(8.7)
Other movements	(19.7)	0.2	35.2	(0.3)	39.1	54.6
31/12/2011	**180.3**	**11.5**	**113.8**	**0.0**	**139.8**	**445.4**

Changes in the period in available-for-sale assets mainly arise from the €19.9 million decrease in the ADP shares.

Loans and receivables measured at amortised cost break down by maturity date as follows:

(in € millions)	31/12/2011	Between 1 and 5 years	After 5 years
Financial assets - PPPs and concessions	113.8	13.4	100.4
Loans and collateralised receivables	0.0	0.0	
Other loans and receivables	139.8	77.3	62.5
Loans and receivables at amortised cost	**253.6**	**90.7**	**162.9**

(in € millions)	31/12/2010	Between 1 and 5 years	After 5 years
Financial assets - PPPs and concessions	77.0	54.6	22.5
Loans and collateralised receivables	0.3	0.3	
Other loans and receivables	91.5	58.8	32.8
Loans and receivables at amortised cost	**168.9**	**113.6**	**55.2**

13. Equity

13.1 Shares

On 28 September 2011, VINCI Concessions increased its share capital by issuing 92,093,235 shares subscribed to by VINCI. VINCI Concessions' share capital at 31 December 2011 was therefore represented by 384,546,935 ordinary shares (292,453,700 shares in 2010) of an unchanged nominal value of €11.2.

Neither the Group's consolidated equity nor the parent company's equity is subject to any external constraints in the form of financial covenants.

13.2 Dividends

The dividends paid in respect of 2011 and 2010 break down as follows:

	2011	2010
Dividend per share (in €)		
Interim dividend(s)	1.77	0.13
Final dividend	0.12	0.46
Net total dividend	**1.89**	**0.59**
Amount of dividend (in € millions)		
Interim dividend(s)	680.6	38.0
Final dividend	46.1	134.5
Net total dividend	**726.8**	**172.5**

VINCI Concessions paid a final dividend of €134.5 million in respect of 2010 in April 2011.

Interim dividends of €0.52 per share and €1.25 per share in respect of 2010 were paid in September and December 2011 respectively (for €680.6 million in total) compared with €0.13 paid in respect of 2010 (for €38.0 million).

13.3 Non-controlling interests

At 31 December 2011, non-controlling interests amounted to €2,824.3 million (including €2,793.0 million representing 46.71% of the consolidated net assets of VINCI Autoroutes) compared with €390.3 million at 31 December 2010 (including €339.4 million representing 16.67% of the consolidated net assets of Cofiroute).

14. Non-current provisions

(in € millions)	Note	31/12/2011	31/12/2010
Provisions for retirement benefit obligations	17.1	57.5	15.7
Other non-current provisions	17.2	463.9	221.2
Total non-current provisions at more than one year		**521.3**	**236.9**

14.1 Provisions for retirement benefit obligations

At 31 December 2011, provisions for retirement benefit obligations amounted to €59.7 million (including €57.5 million at more than one year) compared with €16.7 million at 31 December 2010 (including €15.7 million at more than one year). They comprise provisions for lump-sums on retirement and provisions for obligations for supplementary retirement benefits. The part at less than one year was €2.2 million at 31 December 2011 and €1 million at 31 December 2010, and is reported under other current payables.
The change between 2011 and 2010 (+€43.0 million) was mainly due to the first consolidation of the VINCI Autoroutes Group (+ €38.0 million).

VINCI Concessions' retirement benefit obligations under defined benefit plans fall into two categories:

- obligations borne directly by VINCI Concessions or its subsidiaries and affiliated companies, covered by provisions recognised in the consolidated balance sheet:
- obligations borne through external pension funds; these mainly relate to the UK subsidiaries and affiliated companies (VINCI Park UK).

The retirement benefit obligations covered by provisions recognised in the balance sheet mainly relate to subsidiaries in the eurozone (France, Germany and Belgium) and the United Kingdom and are calculated on the basis of the following assumptions:

	Eurozone		United Kingdom	
Plan	**31/12/2011**	**31/12/2010**	**31/12/2011**	**31/12/2010**
Discount rate	5.00%	5.00%	5.10%	5.50%
Inflation rate	2.2%	2.1%	2.5% to 3.4%	3.4%
Rate of salary increases	0% to 4.0%	0% to 4.0%	2.7% to 4.5%	2.6% to 4.2%
Rate of pension increases	2.0% to 2.2%	1.9% to 2.0%	3.4% to 3.8%	3.1% to 5.0%
Probable average remaining working life of employees per plan	1 to 20 years	1 to 15 years	7 to 13 years	7 to 15 years

Discount rates have been determined on the basis of the yield on private-sector prime-category bonds (rating AA or above) whose maturities correspond to the plans' expected cash flows. The discount rate finally adopted is a single rate equivalent to the application of the various rates depending on maturities.

The other local actuarial assumptions (economic and demographic assumptions) are set on the basis of the conditions obtaining in each of the countries in question.

The preferred method used to determine the expected return on plan assets is the building block method, which breaks the expected return down to the main asset classes: money market investments, investments in bonds and investments in equities. The target allocation of funds is then applied to calculate a weighted average return on assets. In the specific case of funds invested in an insurance company's "general account" funds, the expected yield has been determined by also taking account of the specific features of each contract, in particular regarding past and forecast net yields.

Plan assets are valued at their fair value at 31 December 2011. The book value at 31 December 2011 is used for assets invested with insurance companies.

14.2 Other non-current provisions

Changes in other non-current provisions reported in the balance sheet were as follows in 2011 and 2010:

(in € millions)	Opening	Provisions taken	Provisions used	Other reversals not used	Changes in consolidation scope and miscellaneous	Change in the part at less than one year of non-current provisions	Translation differences	Closing
1/1/2010	**36.2**	**89.0**	**(4.6)**	**(2.7)**	**0.1**	**(11.5)**	**0.0**	**106.6**
Other employee benefits	14.7	0.9	(1.6)			(0.1)		13.9
Financial risks	60.0	119.2	(0.9)					178.3
Other liabilities	44.7	20.7	(25.5)	(0.7)	1.3		(0.0)	40.4
Discounting of non-current provisions	(0.8)	(0.0)	0.1					(0.7)
Reclassification of the part at less than one year of non-current provisions	(12.0)					1.2		(10.7)
31/12/2010	**106.6**	**140.8**	**(27.9)**	**(0.7)**	**1.3**	**1.1**	**(0.0)**	**221.2**
Other employee benefits	13.9	4.4	(10.1)	(0.1)	56.7	1.9		66.7
Financial risks	178.3	0.1			154.8			333.2
Other liabilities	40.4	47.8	(19.7)	(3.1)	30.6		1.2	97.3
Discounting of non-current provisions	(0.7)	(0.1)	0.1		(14.2)		(0.5)	(15.4)
Reclassification of the part at less than one year of non-current provisions	(10.7)				(8.3)	1.1	(0.1)	(17.9)
31/12/2011	**221.2**	**52.1**	**(29.7)**	**(3.2)**	**219.7**	**3.0**	**0.7**	**463.9**

Other employee benefits

Long-service and jubilee bonuses and medical expense cover
The provisions have been calculated using the following actuarial assumptions:

	31/12/2011	31/12/2010
Discount rate	5.0%	2.9% to 5%
Inflation rate	2.2%	2.1%
Rate of salary increases	1.8% to 2.1%	1.8% to 3.4%
Rate of change of medical expenses	0.0% to 6.0%	0.0% to 6.0%

At 31 December 2011, these provisions for other employee benefits amounted to €66.7 million. and include provisions in respect of medical expense cover for €42.6 million. They have been calculated on the basis of a rate of growth in medical expenses of between 0% and 6%. A change of 1% in this rate would entail a change of €4.1 million in the obligation.

Provisions for financial risks
Provisions for financial risks comprise in particular the attributable share of the negative net equity of companies accounted for under the equity method, arising in particular from declines in the fair value of interest-rate hedging instruments (cash flow hedges) in concession project companies.

15. Current operating assets and liabilities and current provisions

15.1 Change in current operating assets and liabilities

(in € millions)	**31/12/2011**	**31/12/2010**	Change
Inventories and work in progress (net)	*12.5*	*3.0*	*9.4*
Trade receivables	*451.9*	*168.2*	*283.7*
Other current operating assets	*325.5*	*185.8*	*139.6*
Inventories and operating receivables	789.8	357.0	432.8
Trade payables	*(228.5)*	*(155.1)*	*(73.4)*
Other current payables	*(1,152.2)*	*(390.8)*	*(761.4)*
Trade and other operating payables	(1,380.7)	(545.9)	(834.8)
Total	**(590.9)**	**(188.9)**	**(402.0)**

Current operating assets and liabilities break down as follows:

		Maturity				
		Within 1 year				
(in € millions)	**31/12/2011**	1 to 3 months	3 to 6 months	6 to 12 months	Between 1 and 5 years	After 5 years
Inventories and work in progress (net)	*12.5*	*3.5*	*0.9*	*1.5*	*6.6*	
Trade receivables	*451.9*	*426.6*	*13.5*	*8.8*	*2.6*	*0.4*
Other current operating assets (*)	*294.6*	*197.6*	*34.9*	*29.0*	*25.3*	*7.9*
Inventories and operating receivables	758.9	627.6	49.2	39.3	34.5	8.3
Trade payables	*(228.5)*	*(190.8)*	*(29.0)*	*(6.6)*	*(2.1)*	*(0.0)*
Other current payables (*)	*(702.1)*	*(369.7)*	*(69.2)*	*(114.6)*	*(78.8)*	*(69.7)*
Trade and other operating payables	(930.6)	(560.5)	(98.3)	(121.2)	(80.9)	(69.7)

(*) Excluding receivables and payables relating to non-current assets

		Maturity				
		Within 1 year				
(in € millions)	**31/12/2010**	1 to 3 months	3 to 6 months	6 to 12 months	Between 1 and 5 years	After 5 years
Inventories and work in progress (net)	*3.0*	2.5	*0.4*	*0.0*	*0.1*	
Trade receivables	*168.2*	*122.7*	*21.0*	*21.7*	*2.4*	*0.4*
Other current operating assets (*)	*140.0*	*94.2*	*22.0*	*14.0*	*2.8*	*7.1*
Inventories and operating receivables	311.2	219.5	43.3	35.7	5.3	7.4
Trade payables	*(155.1)*	*(129.5)*	*(8.5)*	*(16.4)*	*(0.6)*	*(0.3)*
Other current payables (*)	*(321.6)*	*(193.6)*	*(24.5)*	*(62.1)*	*(18.8)*	*(22.7)*
Trade and other operating payables	(476.8)	(323.1)	(32.9)	(78.5)	(19.4)	(22.9)

(*) Excluding receivables and payables relating to non-current assets

15.2 Breakdown of current provisions

Changes in current provisions reported in the balance sheet were as follows in 2011 and 2010:

(in € millions)	**Opening**	Provisions taken	Provisions used	Other reversals not used	Changes in consolidation scope and miscellaneous	Change in the part at less than one year of non-current provisions	Translation differences	**Closing**
1/1/2010	**198.5**	**49.9**	**(30.6)**	**(7.7)**	**(5.6)**	**10.6**	**0.1**	**215.1**
Obligation to maintain the condition of concession assets	194.0	46.0	(28.6)	(0.1)				211.2
After-sales service								
Losses on completion and construction project liabilities	0.7		(0.7)					
Disputes	0.1							0.1
Restructuring costs	0.2		(0.2)					
Other current liabilities	8.0	5.2	(3.8)	(0.0)	0.5		0.0	10.0
Discounting of current provisions								
Reclassification of the part at less than one year of non-current provisions	12.0					(1.2)		10.7
31/12/2010	**215.1**	**51.2**	**(33.4)**	**(0.1)**	**0.5**	**(1.2)**	**0.0**	**232.1**
Obligation to maintain the condition of concession assets	211.2	62.3	(49.4)	(10.8)	336.6			549.9
After-sales service								
Losses on completion and construction project liabilities								
Disputes	0.1	0.2	(0.0)					0.2
Restructuring costs								
Other current liabilities	10.0	3.7	(3.1)	(2.1)	4.7		0.0	13.2
Discounting of current provisions								
Reclassification of the part at less than one year of non-current provisions	10.7				8.3	(1.1)	0.1	17.9
31/12/2011	**232.1**	**66.2**	**(52.6)**	**(12.9)**	**349.6**	**(1.1)**	**0.1**	**581.3**

Current provisions (including the part at less than one year of non-current provisions) are directly connected with the operating cycle. They amounted to €581.3 million at 31 December 2011, against €232.1 million at 31 December 2010, and mainly relate to provisions to maintain the condition of assets under concession.
The change between 2011 and 2010 (+ €349.2 million) was mainly due to ASF Group following the reorganisation of the VINCI Autoroutes Group (+ €352.5 million).

Provisions to maintain the condition of assets under concession mainly cover the expenses incurred by motorway concession operating companies for road repairs (surface coatings, restructuring of slow lanes, etc.) bridges, tunnels and hydraulic infrastructure, and mainly comprise €282.5 million for ASF, €193.6 million for Cofiroute (compared with €192.9 million in 2010), and €50.5 million for Escota.

16. Net financial debt

16.1 Net financial debt and financing resources

VINCI Concessions' net financial debt was €18.9 billion at 31 December 2011, against €5.6 billion at 31 December 2010, breaking down as follows.

(in € millions)	31/12/2011					31/12/2010				
	Non-current	Ref:	Current (*)	Ref:	Total	Non-current	Ref:	Current (*)	Ref:	Total
Bonds	(6,908.1)	(1)	(203.1)	(3)	(7,111.2)	(2,244.8)	(1)	[redacted]		(2,311.5)
Other bank loans and other financial debt	(10,219.5)	(2)	(1,745.5)	(3)	(11,965.0)	(3,251.3)	(2)	[redacted]		(3,340.1)
Finance lease debt restated	(2.2)	(2)	(0.3)	(3)	(2.5)	(2.5)	(2)	[redacted]		(2.8)
Long-term financial debt (**)	**(17,129.8)**		**(1,948.9)**		**(19,078.7)**	**(5,498.6)**		[redacted]		**(5,654.5)**
Other current financial liabilities			(0.1)	(3)	(0.1)			[redacted]		(0.0)
Bank overdrafts			(11.9)	(3)	(11.9)			[redacted]		(9.0)
Financial current accounts, liabilities			(936.2)	(3)	(936.2)			[redacted]		(455.9)
I - Gross financial debt	**(17,129.8)**		**(2,897.2)**		**(20,026.9)**	**(5,498.6)**		[redacted]		**(6,119.4)**
Other loans and receivables		(6)	1.8	(8)	1.8		(6)	[redacted]		2.1
Financial current accounts, assets			400.0	(4)	400.0			[redacted]		31.5
Cash management financial assets			36.0	(4)	36.0			[redacted]		27.6
Cash equivalents			268.9	(5)	268.9			[redacted]		350.5
Cash			147.0	(5)	147.0			[redacted]		97.1
II - Financial assets			**853.8**		**853.7**			[redacted]		**508.8**
Derivative financial instruments - liabilities	(240.8)	(2)	(191.3)	(3)	(432.1)	(108.7)	(2)	[redacted]		(200.7)
Derivative financial instruments - assets	425.0	(7)	296.6	(09)	721.6	28.7	(7)	[redacted]		182.3
III - Derivative financial instruments	**184.2**		**105.3**		**289.5**	**(80.0)**		[redacted]		**(18.4)**
Net financial debt (I + II + III)	**(16,945.6)**		**(1,938.0)**		**(18,883.7)**	**(5,578.6)**		**(50.4)**		**(5,629.1)**

(*) The current part includes accrued interest not matured

(**) Including due within one year

Reconciliation of net financial debt with balance sheet items:

(in € millions)	Ref:	**31/12/2011**	31/12/2010
Bonds (non-current)	(1)	(6,908.1)	(2,244.8)
Other loans and borrowings	(2)	(10,462.5)	(3,362.5)
Current borrowings	(3)	(3,088.4)	(712.8)
Cash management financial assets	(4)	436.1	59.0
Cash and cash equivalents	(5)	415.9	447.6
Other non-current loans and receivables	(6)		
Derivative financial instruments - non-current assets	(7)	425.0	28.7
Other current loans and receivables	(8)	1.8	2.1
Derivative financial instruments - current assets	(9)	296.6	153.6
Net financial debt		**(18,883.7)**	**(5,629.1)**

Derivative financial instruments (assets) are reported in the balance sheet, classified by maturity and according to their accounting category, under other non-current financial assets for the part at more than one year, and other current financial assets for the part at less than one year.
Derivative financial instruments (liabilities) are reported in the balance sheet, classified by maturity and according to their accounting category, under other non-current financial liabilities for the part at more than one year, and current financial liabilities for the part at less than one year.

16.2 Detail of long-term financial debt

Details of VINCI Concessions subsidiaries' long-term financial debt:

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(in € millions)	Currency	Contractual interest rate	Maturity	31/12/2011 Nominal remaining due	Carrying amount	of which accrued interest not matured	31/12/2010 Nominal remaining due	Carrying amount
Bonds				6,508.8	7,111.2	199.8	2,227.1	2,311.5
Cofiroute				**2,229.5**	**2,359.8**	**62.6**	**2,227.1**	**2,311.5**
of which:								
October 2001 bond & supplement in August 2005	EUR	5.9%	October 2016	500.0	536.1	6.7	500.0	533.1
April 2003 bond	EUR	5.3%	April 2018	600.0	640.5	21.2	600.0	643.2
2006 bond and supplement in July 2007	EUR	5.0%	May 2021	1,100.0	1,149.7	33.4	1,100.0	1,104.6
ASF & Escota				**4,279.3**	**4,751.4**	**137.2**		
of which:								
ASF bond issue 2007	EUR	5.6%	July 2022	1,575.0	1,805.7	43.8		
ASF 2009 bond issue and supplement in April 2009	EUR	7.4%	March 2019	969.6	1,070.8	56.1		
ASF 2010 bond issue and supplement in August 2010	EUR	4.1%	April 2020	650.0	717.9	19.3		
ASF bond issue 2011	EUR	4.0%	September 2018	500.0	507.8	5.5		
Other bank loans and other financial debt				*11,596.0*	***11,965.0***	***5,712.8***	**3,377.7**	**3,340.1**
Cofiroute				**1,103.2**	**1,111.1**	**9.3**	**1,104.5**	**1,109.4**
of which:								
EIB - December 2004	EUR	1.4%	December 2019	200.0	200.2	0.2	200.0	200.1
EIB - November 2008	EUR	1.4%	November 2028	250.0	238.0	0.6	250.0	236.5
EIB - June 2007	EUR	4.4%	June 2029	210.0	214.7	4.7	210.0	214.7
EIB - December 2005	EUR	4.0%	December 2025	190.0	190.7	0.7	190.0	190.7
ASF & Escota				**6,729.4**	**6,929.5**	**5,699.8**		
CNA loans				***3,323.3***	***3,463.6***	***97.4***		
of which:								
ASF& Escota - CNA 1997 to 2000	EUR	5.8%	October 2012	405.8	410.7	4.7		
ASF & ESCOTA - CNA 1998/2001	EUR	5.9%	March 2013	397.7	420.0	18.0		
ASF - CNA 1999/2002	EUR	4.4%	May 2014	450.0	455.3	12.2		
ASF - CNA 2000/2001	EUR	6.0%	October 2015	382.5	405.7	4.2		
ASF - CNA 2001	EUR	inflation-linked	July 2016	405.2	413.3	6.9		
ASF & Escota - CNA 2002	EUR	5.3%	January 2017	532.0	555.7	25.7		
ASF - CNA 2004/2005	EUR	4.5%	March 2018	750.0	803.0	25.7		
CNA/EIB loans				***1,018.9***	***1,047.6***	***27.0***		
of which, ASF - CNA/EIB 2002	EUR	6.2%	April 2015 to 2017	412.6	431.4	18.8		
EIB loans				***500.0***	***489.7***	***3.8***		
Other loans				***1.4***	***2.4***			
Credit facilities				***1,885.8***	***1,884.3***	***0.6***		
ASF Term Loan	EUR	E1M	December 2013	755.8	755.5	0.3		
VINCI line February 2008	EUR	E1M	February 2012	1,030.0	1,030.4	0.4		
Effect of recognising ASF's debt at fair value in VINCI Concessions' consolidated financial statements	***EUR***				***41.9***			
Arcour				**602.1**	**574.6**	**0.2**	**602.0**	**572.6**
of which, Arcour 2008	EUR	E1M	up to March 2018	400.0	396.7	0.1	400.0	396.1
ASF Holding				**1,560.0**	**1,559.1**	**0.2**		
Syndicated loan December 2006	EUR	E1M	up to December 2013	1,080.0	1,079.0	0.1		
VINCI loan July 2009	EUR	E1M	June 2014	480.0	480.1	0.1		
Cofiroute Holding				**400.0**	**400.9**	**0.9**	**400.0**	**400.8**
VINCI loan November 2007	EUR	E6M	November 2014	400.0	400.9	0.9	400.0	400.8
Gefyra				**317.0**	**307.8**	**0.4**	**329.0**	**319.1**
of which, Gefyra - EIB 2001	EUR	EIB	up to June 2029	317.0	307.8	0.4	329.0	319.1
VINCI Park				**769.3**	**767.9**	**1.4**	**782.4**	**778.4**
of which, loan June 2006	EUR	E1M/E3M	up to June 2026	397.9	396.1		416.7	414.7
VINCI Concessions				**115.0**	**115.5**	**0.5**		
VINCI Finance International loan	EUR	E3M	July 2017	115.0	115.5	0.5		
Other					**198.6**		**159.8**	**159.8**
Finance lease debt restated				2.5	**2.5**		**2.8**	**2.8**
Long-term financial debt				**18,107.4**	**19,078.7**	**5,912.6**	**5,607.6**	**5,654.5**

Long-term financial debt amounted to €19.1 billion at 31 December 2011 compared with €5.7 billion at 31 December 2010.
Other than the effect of the first consolidation of the VINCI Autoroutes group for €12.6 billion, the change in the period arises from the combination of contractual repayments, new finance and changes in consolidation scope.

16.3 Resources and Liquidities

16.3.1 Maturity of debts

The Group's debt and associated interest payments, on the basis of the interest rates at 31 December 2011, break down as follows, by maturity date:

	31/12/2011							
(in € millions)	Carrying amount	Capital and interest payments	Within 3 months	Between 3 and 6 months	Between 6 months and 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Bonds								
Capital	(7,111.2)	(6,508.8)		(3.3)		(3.0)	(512.4)	(5,990.1)
Interest payments		(3,189.8)	(81.8)	(115.5)	(154.1)	(351.2)	(1,052.0)	(1,435.2)
Other bank loans and other financial debt								
Capital	(11,965.0)	(11,793.6)	(1,034.4)	(70.0)	(483.9)	(2,805.1)	(3,106.4)	(4,293.9)
Interest payments		(1,793.8)	(121.1)	(79.3)	(151.6)	(320.6)	(649.9)	(471.3)
Finance lease debt restated								
Capital	(2.5)	(2.5)	(0.1)	(0.1)	(0.2)	(0.3)	(0.7)	(1.2)
Interest payments		(0.5)	(0.0)	(0.0)	(0.0)	(0.1)	(0.2)	(0.2)
Subtotal: long-term borrowing	***(19,078.7)***	***(23,289.1)***	***(1,237.4)***	***(268.2)***	***(789.8)***	***(3,480.2)***	***(5,321.5)***	***(12,191.9)***
Other current financial liabilities	(0.1)							(0.1)
Bank overdrafts	(11.9)	(11.9)						
Financial current accounts, liabilities	(936.2)	(936.2)						
I - Financial debt	**(20,026.9)**	**(24,237.3)**	**(1,237.4)**	**(268.2)**	**(789.8)**	**(3,480.2)**	**(5,321.5)**	**(12,192.0)**
II - Financial assets	**853.7**							
Derivative financial instruments - liabilities	(432.1)	(532.9)	(10.6)	(35.4)	(29.0)	(79.8)	(211.9)	(166.2)
Derivative financial instruments - assets	721.6	1,026.4	12.1	60.6	38.5	110.6	323.7	480.9
III - Derivative financial instruments	**289.5**							
Net financial debt (I + II + III)	**(18,883.7)**							
Trade payables	**(228.5)**	**(228.5)**	**(190.8)**	**(29.0)**	**(6.6)**	**(0.8)**	**(1.3)**	**(0.0)**

16.3.2 Net cash managed

Net cash managed, which in particular includes cash management financial assets, breaks down as follows:

(in € millions)	**31/12/2011**	31/12/2010
Cash equivalents	268.9	350.5
Cash	147.0	97.1
Bank overdrafts	(11.9)	(9.0)
Net cash and cash equivalents	**403.9**	**438.6**
Cash management financial assets	36.0	27.6
Other current financial liabilities	(0.1)	(0.0)
Balance of cash management current accounts	(536.2)	(424.4)
Net cash managed	**(96.3)**	**41.7**

Cash surpluses are managed with the objective of earning a return close to that of the money market, avoiding risks to capital while maintaining a low level of volatility through a performance and risk monitoring system. The investment vehicles used by VINCI Concessions are mainly UCITS and similar vehicles. They are measured and recognised at their fair value.

16.3.3 Credit facilities, commercial paper and bank loans

ASF has a €2 billion syndicated bank credit line maturing in December 2013 subject to financial covenants (see Note F.19.3.4 "Financial covenants").

In February 2011, Cofiroute agreed a €500 million confirmed club deal bank facility maturing in February 2016.

The amounts authorised and used, and the maturities of the credit lines are as follows:

(in € millions)	Amount used at 31/12/2011	Amounts authorised at 31/12/2011	Maturity: Within 1 year	Maturity: Between 1 and 5 years	Maturity: After 5 years
ASF: syndicated loan		2,000		2,000	
Cofiroute: syndicated loan		500		500	
Total		2,500		2,500	

16.3.4 Financial covenants

Some financing agreements include early repayment clauses applicable in the event of non-compliance with the financial ratios below:

(in € millions)	Finance agreements	Authorised amounts	Amounts used	Ratios (*)	Thresholds	Ratios at 31/12/2011
ASF Holding	Syndicated term loan	1,080.0	1,080.0	Consolidated net financial debt to consolidated cash flow from operations before tax and financing costs (**)	≤ 8.5	5.6
				Dividends to (Net interest + nominal to repay)	≥ 1.15	25.6
ASF	CNA (Caisse Nationale des Autoroutes) loans	4,342.2	4,342.2	Consolidated net financial debt to consolidated Ebitda	≤ 7	5.2
				Consolidated Ebitda to consolidated financing costs	> 2.2	4.7
	Syndicated term loan	755.8	755.8	Consolidated net financial debt (***) to consolidated cash flow from operations before tax and financing costs	≤ 7	5.1
	Syndicated credit line 2013	2,000.0		Consolidated cash flow from operations before tax and financing costs to consolidated financing costs	≥ 2.2	4.7
VINCI Park	Amortising loan	397.9	397.9	Net financial debt to cash flow from operations before tax and financing costs	< 7	3.7
				Cash flow from operations before tax and financing costs to net financing costs	> 2.2	6.9
	Amortising loan (tranches 1 & 2)	160.3	160.3	Net financial debt to cash flow from operations before tax and financing costs	< 7	3.7
				Cash flow from operations before tax and financing costs to net financing costs	> 3	6.9

(*) Ebitda = gross operating income defined as the difference between operating income and operating expenses excluding depreciation, amortisation and provisions.
(**) (Consolidated net financial debt ASF + consolidated net financial debt ASF Holding) to (ASF consolidated cash flow from operations before tax and financing costs)
(***) Excluding derivatives designated as cash flow hedges

The above ratios were all met at 31 December 2011.

16.3.5 Credit ratings

At 31 December 2011, the Group's credit ratings were:

	Agency	Ratings: Long-term	Ratings: Outlook	Ratings: Short-term
ASF	Standard & Poor's	BBB+	Stable	A2
	Moody's	Baa1	Stable	P2
Cofiroute	Standard & Poor's	BBB+	Stable	A2

17. Financial risk management

The following disclosures present VINCI Concessions' exposure to financial risks, its objectives, the policy and processes to measure and manage the risk implemented by the VINCI Group.

Given the high level of its net financial debt and the size of the associated financial income and expense, VINCI has instituted a system to manage and monitor the various financial risks to which it is exposed, principally interest rate risk.

These financial risks are managed in accordance with the management policies laid down by VINCI's Finance Department. In application of these rules, the responsibility for identifying, measuring and hedging the financial risks lies with the operational entity in question. On the other hand, derivative financial instruments are generally managed by the VINCI Group Finance Department on behalf of the subsidiaries in question.

Treasury committees meet regularly to analyse the main exposures and decide on management strategies for the entities that have the most material exposure to financial risks (ASF, Cofiroute, VINCI Park). These companies use the same tools as the VINCI holding company to monitor financial instruments, which enables information to be centralised.

In order to manage its exposure to market risks, the Group uses derivative financial instruments, which are recognised in the balance sheet at their fair value.

At the balance sheet date, the fair value of derivatives acquired by VINCI Concessions subsidiaries break down as follows:

	31/12/2011				
(in € millions)	Non-current asset	Current asset	Non-current liability	Current liability	Net
Interest rate derivatives: fair value hedges	425.0	71.0	(3.6)	(0.5)	491.9
Interest rate derivatives: cash flow hedges	0.0	0.1	(237.2)	(8.0)	(245.0)
Interest rate derivatives not designated as hedges		225.4		(182.7)	42.8
Interest rate derivatives	**425.0**	**296.5**	**(240.8)**	**(191.1)**	**289.6**
Foreign currency exchange rate derivatives: cash flow hedges					
Foreign currency exchange rate derivatives: hedge of net foreign investment					
Foreign currency exchange rate derivatives not designated as hedges		0.0		(0.1)	(0.1)
Currency derivatives		**0.0**		**(0.1)**	**(0.1)**
Other derivatives					
Total derivative financial instruments	**425.0**	**296.6**	**(240.8)**	**(191.3)**	**289.5**

	31/12/2010				
(in € millions)	Non-current asset	Current asset	Non-current liability	Current liability	Net
Interest rate derivatives: fair value hedges	28.5	16.0	(4.6)		39.9
Interest rate derivatives: cash flow hedges	0.2		(104.2)	(1.7)	(105.6)
Interest rate derivatives not designated as hedges		137.3		(90.2)	47.1
Accrued interest not matured on derivatives					
Interest rate derivatives	**28.7**	**153.3**	**(108.7)**	**(91.9)**	**(18.6)**
Foreign currency exchange rate derivatives: cash flow hedges					
Foreign currency exchange rate derivatives: hedge of net foreign investment					
Foreign currency exchange rate derivatives not designated as hedges		0.3		(0.1)	0.2
Accrued interest not matured on derivatives					
Currency derivatives		**0.3**		**(0.1)**	**0.2**
Other derivatives					
Total derivative financial instruments	**28.7**	**153.6**	**(108.7)**	**(92.0)**	**(18.4)**

17.1 Interest rate risk

To hedge its interest rate risk, the Group uses derivative financial instruments in the form of options or swaps of which the start may be deferred. These derivatives may be designated as hedges or not, in accordance with the IFRS, but are economic hedges.

The table below shows the breakdown of VINCI Concessions' long-term debt between fixed rate, capped floating-rate, and inflation-linked debt, and the part at floating-rate before and after taking account of derivative financial instruments:

	31/12/2011		31/12/2010	
(in € millions)	Debt	Proportion	Debt	Proportion
Fixed rate	11,092.0	60.51%	2,901.5	[redacted]
Inflation-linked	608.2	3.32%		[redacted]
Floating rate	6,630.3	36.17%	2,694.4	[redacted]
Impact of fair value hedges [redacted]	748.2		58.5	[redacted]
Total before hedging	**19,078.7**	**100.00%**	**5,654.5**	[redacted]
Fixed rate	9,874.3	53.87%	3,457.6	[redacted]
Floating rate	4,952.2	27.02%	1,838.4	[redacted]
Capped floating and inflation- [redacted]	3,504.1	19.12%	300.0	[redacted]
Impact of fair value hedges [redacted]	748.2		58.5	[redacted]
Total after hedging	**19,078.7**	**100.00%**	**5,654.5**	[redacted]

17.1.1 Sensitivity to interest rate risk

VINCI Concessions' income statement is exposed to the risk of fluctuations in interest rates, given:

- the cash flows connected with floating-rate financial instruments after hedging, whether they are derivatives or not;
- fixed-rate financial instruments recognised in the balance sheet at fair value through profit or loss;
- derivative financial instruments that are not designated as hedges. These mainly comprise net call option positions with a maturity of less than 5 years of which the maximum loss over the life of the transaction is equal to the premium paid.

On the other hand, fluctuations in the value of derivatives designated as hedges do not have a direct impact on profit or loss and are recognised in equity.

The analysis below has been prepared assuming that the amount of the financial debt and derivatives at 31 December 2011 remains constant over one year.

The consequence of a variation in interest rates of 50 basis points at the balance sheet date would have been an increase or decrease of equity and profit for the amounts shown below. For the purpose of this analysis, the other variables are assumed to remain constant.

	31/12/2011			
	Income for the period		Equity	
(in € millions)	Impact of sensitivity calculation + 50 bp	Impact of sensitivity calculation – 50 bp	Impact of sensitivity calculation + 50 bp	Impact of sensitivity calculation – 50 bp
Floating rate debt after hedging (accounting basis)	(42.3)	42.3		
Floating rate assets after hedging (accounting basis)	0.5	(0.5)		
Derivatives not designated for accounting purposes as hedges	0.4	0.5		
Derivatives designated as cash flow hedges			61.6	(63.9)
Total	**(41.4)**	**42.3**	**61.6**	**(63.9)**

17.1.2 Fair value hedges

(in € millions)	31/12/2011 Within 1 year	Between 1 and 5 years	After 5 years	Notional	Fair value	31/12/2010 Notional	Fair value
Derivatives allocated to hedging long-term debt							
Fixed receiver/floating payer interest rate swap		150.0	3,519.5	3,669.5	491.9	725.0	39.9
Interest rate options (caps, floors and collars)							
Fair value hedge		**150.0**	**3,519.5**	**3,669.5**	**491.9**	**725.0**	**39.9**

These transactions mainly relate to the fixed-rate bond issues by ASF and Cofiroute.

17.1.3 Cash flow hedges

The Group is exposed to fluctuations in interest rate on its floating-rate debt and can set up floating-rate lender/fixed-rate borrower swaps designated as cash flow hedges to hedge this risk.

Hedging of contractual cash flows
The Group has set up interest rate swaps which serve to render interest payments on floating-rate debt fixed. Contractual cash flows relating to swaps are paid symmetrically with the hedged interest payment flows. The amount deferred in equity is recognised in profit or loss in the period in which the interest payment cash flow affects profit or loss.

Hedging of highly probable cash flows
The Group has set up deferred start swaps at ASF with maturities of up to 2016. These serve to fix the interest payments on future issues of debt considered as highly probable. At 31 December 2011, the portfolio of these swaps was €1,349 million.

At the balance sheet date, details of the instruments designated as cash flow hedges were as follows:

(in € millions)	31/12/2011 Within 1 year	Between 1 and 5 years	After 5 years	Notional	Fair value	31/12/2010 Notional	Fair value
Derivatives allocated to hedging long-term debt							
Floating receiver/fixed payer interest rate swap	567.6	510.4	793.0	1,871.0	(179.4)	1,312.1	(96.8)
Interest rate options (caps, floors and collars)	18.8	433.8	115.1	567.7	(11.8)	247.8	(8.9)
Interest rate derivatives: hedging of contractual cash flows	586.5	944.2	908.0	2,438.7	**(191.1)**	**1,559.9**	**(105.6)**
Interest rate derivatives: hedging of highly probable forecast cash flows		1,249.0	100.0	1,349.0	**(53.9)**		
Total	**586.5**	**2,193.2**	**1,008.0**	**3,787.7**	**(245.0)**	**1,559.9**	**(105.6)**

The following table shows the periods in which the Group expects the cash flows associated with the deferred start swaps in place on 31 December 2011 to occur:

(in € millions)	31/12/ 2011 Fair value	Expected cash flows Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Interest rate derivatives designated for accounting purposes as hedges of highly probable cash flows (*)	(53.9)	(30.0)	(23.9)		

(*) Deferred start floating/fixed rate swap

The following table shows the periods when VINCI Concessions expects the amounts recorded in equity at 31 December 2011 for the existing or unwound instruments designated as cash flow hedges to have an impact on profit or loss:

	31/12/2011				
	Amount recorded in equity	Amount recycled in profit or loss			
(in € millions)		Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Interest rate derivatives designated for accounting purposes as hedges of contractual cash flows	(179.2)	(31.5)	(25.1)	(75.5)	(47.1)
Interest rate derivatives designated for accounting purposes as hedges of highly probable cash flows	(152.1)	(33.5)	(33.9)	(76.0)	(8.7)
Total interest rate derivatives designated for accounting purposes as cash flow hedges	**(331.3)**	**(65.0)**	**(59.0)**	**(151.5)**	**(55.8)**

17.1.4 Description of non-hedging transactions

(in € millions)	31/12/2011					31/12/2010	
	Within 1 year	**Between 1 and 5 years**	**After 5 years**	**Notional**	**Fair value**	**Notional**	**Fair value**
Derivatives not designated as hedges for accounting purposes							
Floating receiver/fixed payer interest rate swap	1,095.8	600.0	1,900.0	3,595.8	42.3	2,316.7	46.9
Interest rate options (caps, floors and collars)	682.5	3,703.5		4,386.0	0.5	359.1	0.2
Total	**1,778.3**	**4,303.5**	**1,900.0**	**7,981.8**	**42.8**	**2,675.8**	**47.1**

These transactions are mainly mirror swaps (which generate no risk of fluctuation of fair value in the income statement), swaps or short-maturity options. They enable the level of hedging to be adjusted taking account of the market situation.

17.2 Foreign currency exchange rate risk

17.2.1 Detail of foreign currency exchange rate derivatives

VINCI Concessions' foreign currency exchange rate derivative transactions carried out to hedge its commercial operations were not material at 31 December 2011 (–€0.1 million).

17.2.2 Breakdown of long-term debt by currency

(in € millions)	31/12/2011		31/12/2010	
Euro	18,860.3	98.9%	5,585.4	98.8%
Sterling	32.8	0.2%	25.7	0.5%
US dollar	16.3	0.1%	17.3	0.3%
Other currencies	169.4	0.9%	26.1	0.5%
Total long-term borrowings	**19,078.7**	**100.0%**	**5,654.5**	**100.0%**

Generally, the Group's activities in foreign countries are financed by loans in the local currency.

17.2.3 Nature of VINCI Concessions' risk exposure

54.03% of VINCI Concessions' activities in international markets is through subsidiaries in the eurozone. VINCI Concessions' exposure to currency risk is therefore limited. For permanent establishments, operations outside the eurozone are generally carried out in local currency.

Furthermore, VINCI Concessions may find itself exposed to currency risk whenever, in isolated cases, the parent company provides finance to certain foreign subsidiaries, and on cash flows intended to be paid to the parent company. This exposure is generally covered by cross currency swaps or forward exchange transactions.

17.2.4 Analysis of other foreign exchange positions

The basic aim of VINCI Concessions' currency risk management policy is to hedge the transaction exposure connected to the ordinary operations of its subsidiaries and affiliates. This exposure is monitored through a foreign currency position detailing cash flows by currency and maturity. However, the currency risk connected with VINCI Concessions' foreign investments (translation exposure) is not systematically hedged.
VINCI Concessions, of which most of the activities are situated in the eurozone, considers that the foreign currency exposure incurred is low.

17.3 Credit and counterparty risk

VINCI Concessions is exposed to counterparty risk in respect of its investments of cash, commitments received, acquisition of negotiable debt securities, marketable securities, and unused authorised credit facilities, financial receivables and derivative financial instruments.

VINCI Concessions has set up procedures to manage and limit credit risk and counterparty risk.

Financial instruments
In most cases, financial instruments are set up with financial institutions that meet the VINCI Group's credit rating criteria. The Group has also set up a system of counterparty limits to manage its counterparty risk. This system allocates maximum risk amounts by counterparty, defined by taking account of their credit ratings as published by Standard & Poor's, Moody's and Fitch IBCA. These limits are regularly monitored and updated by the VINCI Group Finance Department at Treasury Committee meetings on the basis of a quarterly, consolidated report.

18. Fair value by accounting category

(in € millions)	31/12/2011	31/12/2010
Bonds	(6,928.6)	(2,448.4)
Loans from financial institutions and other financial debt	(12,391.1)	(3,340.1)
Finance leases	(2.5)	(2.8)
Long-term financial debt	**(19,322.2)**	**(5,791.3)**
Other financial debt	(0.1)	(0.0)
Financial current accounts, liabilities	(11.9)	(455.9)
Bank overdrafts	(936.2)	(9.0)
I - Gross financial debt	**(20,270.4)**	**(6,256.2)**
Other loans and receivables	1.8	2.1
Financial current accounts, assets	400.0	31.5
Current cash management financial assets	36.0	27.6
Cash equivalents	268.9	350.5
Cash	147.0	97.1
II - Financial assets	**853.7**	**508.8**
Derivative financial instruments - liabilities	(432.1)	(200.7)
Derivative financial instruments - assets	721.6	182.3
III - Derivative financial instruments	**289.5**	**(18.4)**
Net financial debt (I + II + III)	**(19,127.2)**	**(5,765.8)**

H. Notes on the main features of concession contracts and PPPs

19. Controlled subsidiaries' concession contracts – intangible asset model

19.1 Main features of concession contracts – intangible asset model

The main features of contracts for concessions operated by controlled subsidiaries and accounted for using the intangible asset model are as follows:

	Control and regulation of prices by concession grantor	Remuneration paid by	Grant or guarantee from concession grantor	Residual value	Concession end date or average duration	Accounting model
Highway infrastructures						
ASF Group						
ASF (2,714 km of which 22 km at project stage and 53 km under construction)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor.	Users	Nil	Infrastructure returned to grantor for no consideration at the end of the contract, unless purchased before term by the grantor on the basis of the economic value.	End of contract in 2033	Intangible asset
Escota (459 km toll motorways in France)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor.	Users	Nil	Infrastructure returned to grantor for no consideration at the end of the contract, unless purchased before term by the grantor on the basis of the economic value.	End of contract in 2027	Intangible asset
Cofiroute						
Intercity toll motorway network in France (1,100 km toll motorways)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor.	Users	Nil	Infrastructure returned to grantor for no consideration at the end of the contract, unless purchased before term by the grantor on the basis of the economic value.	End of contract in 2031	Intangible asset
A86 Duplex (11 km toll tunnel)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor.	Users	Grant to offset extra construction costs resulting from application of new safety standards in the tunnels	Infrastructure returned to grantor for no consideration at the end of the contract, unless purchased before term by the grantor on the basis of the economic value.	End of contract in 2086	Intangible asset
Arcour						
Arcour (A 19) (101 km toll motorway in France)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor.	Users	Investment grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2070	Intangible asset
Gefyra						
Gefyra Toll bridge in the Gulf of Corinth, between Rion and Antirion (Greece)	Pricing law as defined in the concession contract. Price increases linked to price index and subject to agreement by grantor.	Users	Grant for construction paid by grantor	Infrastructure returned to grantor at end of concession for no consideration	End of contract estimated to be in 2039	Intangible asset

	Control and regulation of prices by concession grantor	Remuneration paid by	Grant or guarantee from concession grantor	Residual value	Concession end date or average duration	Accounting model
VINCI Park						
VINCI Park Approximately 348,680 parking spaces in 162 towns under 352 concession contracts in France and other European countries	Indexed maximum prices generally set in contracts.	Users	If applicable, grants for equipment or operating grants and/or guaranteed revenue, paid by grantor	Nil	26 years (weighted average remaining period of concession contracts)	Intangible asset and/or financial asset
VINCI Airports						
Société concessionnaire Aéroports du Grand Ouest	Regulated air tariffs. Unregulated non-air income	Users via the airline companies	Investment grant agreed under the concession contract for the construction of the new Notre Dame des Landes airport	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2065	Intangible asset
Stadiums						
Consortium Stade de France	Nil	Organiser of events and/or final customer + miscellaneous income	Investment grant + compensation for absence of resident club	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2025	Intangible asset

19.2 Commitments made under concession contracts – intangible asset model

Contractual investment, renewal and financing obligations

(in € millions)	31/12/2011	31/12/2010
ASF & Escota	2,429.5	
Cofiroute	906.4	686.7
VINCI Park	64.4	91.4
Société concessionnaire Aéroports du Grand Ouest	350.4	
Other	24.9	39.8
Total	3,775.6	818.0

The contractual obligations of ASF and Escota relate in particular to the construction of the Lyon–Balbigny section of the A89 and of a relief section on the A9 near Montpellier, and to the "green motorway" package.
Cofiroute's contractual capital investment obligations comprise the "green motorway" package and the investments provided for under the 2011-2014 master plan.

The above amounts do not include obligations relating to maintenance expenditure on infrastructure under concessions.

The investments by the motorway concession companies (ASF, Escota, Cofiroute and Arcour) are financed by issuing bonds on the market, by taking out new loans from the European Investment Bank (EIB) or by drawings on their available credit facilities.

Collateral security connected with the financing of concessions

Some concession operating companies have given collateral security to guarantee the financing of their investments in concession infrastructures. These break down as follows:

(in € millions)	Start date	End date	Amount
Arcour	2008	2045	600.0
VINCI Park	2006	2026	403.6 (*)
Gefyra (Rion-Antirion bridge)	2001	2029	316.7
Other concession operating companies			88.8

(*) Shares in subsidiaries pledged to guarantee a loan of €500 million taken out at the end of June 2006.

This finance is without recourse against VINCI Concessions SAS.

20. Controlled subsidiaries' concession and PPP contracts – financial asset model and bifurcated model

20.1 Main features of concession and PPP contracts – financial asset model and/or bifurcated model

The main features of concession or public-private partnership contracts operated by controlled subsidiaries and accounted for using the financial asset and/or bifurcated model are shown below:

	Control and regulation of prices by concession grantor	Remuneration paid by	Grant or guarantee from concession grantor	Residual value	Concession end date or average duration	Accounting model
Highway infrastructures						
Lucitea (Public lighting in Rouen, France)	Scheduled construction payments from grantor	City of Rouen	Nil	Infrastructure returned to grantor at the end of the contract for no consideration.	End of contract in 2027	Financial asset
Car rental firm business complex Nice-Côte d'Azur airport (France)	Scheduled construction payments by grantor + rent paid by car hire companies as set in concession contract	Grantor and car rental companies	Investment grant and operating grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2040	Financial asset
Stadiums						
Stade du Mans (Le Mans Stadium, France)	Pricing schedule approved by the grantor.	Ticket + resident club receipts + miscellaneous income	Investment grant and operating grant	Infrastructure returned to grantor at the end of the contract for no consideration.	End of contract in 2043	Bifurcated: intangible asset and financial asset

20.2 Commitments made under concession and PPP contracts– financial asset and bifurcated models

Contractual investment and renewal obligations
Under their concession and PPP contracts, Group subsidiaries have undertaken in some cases to carry out investments.

These commitments, which at 31 December 2010 mainly comprised contractual investment obligations made by concession operating companies (relating to the car rental firms' business complex at Nice-Côte d'Azur airport for €15 million), expired in 2011.

Public-private-partnership project companies receive a guarantee of payment from the concession grantor in return for their investments.

Collateral security connected with the financing of PPPs
Some companies have given collateral security to guarantee the financing of their investments relating to infrastructure under concession.
These break down as follows:

(in € millions)	Start date	End date	Amount
Car rental firm business complex Nice-Côte d'Azur airport	2008	2036	36.8

21. Concession and PPP contracts of companies accounted for under the equity method

21.1 Main features of concession and PPP contracts

The main features of concession or public-private partnership contracts operated by companies accounted for under the equity method are shown below:

	Control and regulation of prices by concession grantor	Remuneration paid by	Grant or guarantee from concession grantor	Residual value	Concession end date or average duration	Accounting model
Highway infrastructures						
A-Modell "A5 Malsch to Offenburg" (60 km to be renovated, including 41.5 km to widen to 2x3 lanes) (Germany)	Inflation-linked price increases based on the 2009 tolls level (excluding increases decided by the grantor).	Heavy vehicle users through the tolls levied by the grantor	Nil	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2039	Intangible asset
Tunnel Prado Sud Toll tunnel, 1,500m at Marseilles (France)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor.	Users	Grant limited to network diversion work	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2054	Intangible asset
Morgan VINCI Ltd (Motorway, bypassing Newport, UK (10 km))	Payment depends on availability 67%, traffic 28%, safety 3%, maintenance 2%.	Grantor	Nil	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2042	Financial asset
Granvia (R1 Expressway) (Slovakia)	Annual fee paid by the grantor (with no traffic level risk)	Grantor	Nil	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2041	Financial asset
Moscow–St Petersburg motorway (43.3 km, Russia)	Inflation-linked price increases based on the tolls level at 1/1/2007 (excluding increases decided by the grantor)	Users	Investment grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2040	Bifurcated model (financial asset and intangible asset)
A9 "Sixlane" (46.5 km, Germany)	Annual fee paid by the grantor (with no traffic level risk)	Grantor	Investment grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2031	Financial asset
Railways						
South Europe Atlantic high-speed railway line High-speed rail link between Tours and Bordeaux (303 km) (France)	Inflation-linked price increases on the base of the level of tolls in July 2009	Pricing law defined in the concession contract (on the basis of train kilometre and slot kilometre).	Investment grant paid by the concession grantor and the local authorities	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2061	Bifurcated model (financial asset and intangible asset)
Liefkenshoek Tunnel (16.2 km underground rail link in the port of Antwerp, Belgium)	Scheduled construction payments paid by the grantor	Grantor	Investment grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2050	Financial asset
Stadiums						
Stade Bordeaux Atlantique (France)	Rent paid by the grantor and ancillary revenue (including naming agreement)	Grantor, Private partners	Investment grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2045	Bifurcated model (financial asset and intangible asset)
Nice Eco Stadium (France)	Rent paid by the grantor and ancillary revenue (including naming agreement)	Grantor, Private partners	Investment grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2040	Bifurcated model (financial asset and intangible asset)

21.2 Commitments made under concession and PPP contracts of companies accounted for under the equity method

The commitments made under concession and PPP contracts of companies accounted for under the equity method are included in Note F.14.3 "Commitments made in respect of companies accounted for under the equity method".

G. Other notes

22. Related party transactions

Related party transactions are:
- remuneration and similar benefits paid to members of the governing and management bodies;
- transactions with companies in which VINCI Concessions exercises significant influence or joint control.

These transactions are conducted on the basis of market prices.

22.1 Remuneration of members of the Executive Committee

The share falling to VINCI Concessions of remuneration paid to members of the Executive Committee in 2011 amounted to €6,000,900.

22.2 Other related parties

Information on companies accounted for under the equity method is given in Note F.14.2.

23. Contractual obligations and other off-balance sheet commitments

Contractual obligations and other commitments made and received break down as follows:

23.1 Contractual obligations

(in € millions)	**31/12/2011**	**31/12/2010**
Operating leases	207.9	239.7

Operating lease commitments amounted to €207.9 million at 31 December 2011 (€239.7 million at 31 December 2010); of this, €201.1 million was for property (€232.8 million at 31 December 2010) and €6.8 million for movable items (€6.9 million at 31 December 2010).

The breakdown by maturity of contractual obligations is as follows:

		Payments due by period		
(in € millions)	**Total**	Within 1 year	Between 1 and 5 years	After 5 years
Operating leases	207.9	39.0	76.9	92.1

23.2 Other commitments made and received

(in € millions)	**31/12/2011**	31/12/2010
Other commitments made (received)	**47.2**	51.2

H. Note on litigation

The main disputes in progress at the date of this document were as follows:

- Under a priority question on the constitution, the Constitutional Council ruled, on 11 February 2011, that the Act of 11 December 1996 (approving the Stade de France concession) was unconstitutional. The French government, as concession grantor, has to examine the consequences of this situation. At present, the Stade de France is operated by a company, Consortium Stade de France, in which the Group has a 66.6% holding.

To VINCI Concessions' knowledge, there are no disputes or matters submitted to arbitration (including any proceedings known to the Company, pending or with which it is threatened) likely to have, or having had in the last twelve months, a material effect on the Group's business, financial performance, net assets or financial situation.

I. Post-balance sheet events

24. Appropriation of 2011 net income

The consolidated financial statements at 31 December 2011 will be presented to the Sole Shareholder on 12 April 2012 and will only become definitive after the Shareholder's approval. Payment will be proposed of a dividend of €1.89 per share in respect of the year, which, taking account of the interim dividends already paid in September and December 2011 (€0.52 and €1.25 per share respectively) means that the final dividend will be €0.12 per share.

K. List of the main consolidated companies at 31 December 2011

Controlled companies

CC: controlled company

	31 December 2011		31 December 2010	
	Consolidation method	VINCI Concessions' percentage holding	Consolidation method	VINCI Concessions' percentage holding
Highway infrastructures				
VINCI Autoroutes				
Autoroutes du Sud de la France (ASF)	CC	53.29		
Escota	CC	52.91		
Openly (Operator of the Lyon northern bypass)	CC	53.29		
Cofiroute	CC	44.41	CC	83.33
Cofiroute Corporation (USA)	CC	44.41	CC	83.33
Cofiroute UK (UK)	CC	44.41	CC	83.33
Arcour (A19 motorway)	CC	95.00	CC	95.00
Other				
Gefyra (Rion-Antirion bridge - Greece)	CC	57.45	CC	57.45
Parkazur (Car rental firm business complex Nice-Côte d'Azur airport)	CC	98.00	CC	98.00
Lucitea, (public lighting in Rouen, France)	CC	80.10	CC	80.10
Railways				
MESEA	CC	70.00		
VINCI Park				
VINCI Park	CC	100.00	CC	100.00
VINCI Park France	CC	100.00	CC	100.00
VINCI Park Services	CC	100.00	CC	100.00
VINCI Park CGST	CC	100.00	CC	100.00
Sepadef (Société d'exploitation des parcs de la Défense)	CC	100.00	CC	100.00
VINCI Park Belgium	CC	100.00	CC	100.00
VINCI Park Services Canada	CC	100.00	CC	100.00
VINCI Park España	CC	100.00	CC	100.00
VINCI Park Services Ltd (UK)	CC	100.00	CC	100.00
VINCI Park Services Luxembourg	CC	100.00	CC	100.00
VINCI Park Services Deutschland GmbH	CC	100.00	CC	100.00
VINCI Park Services Russie	CC	100.00	CC	100.00
Meteor Parking Ltd (UK)	CC	100.00	CC	100.00
VINCI Airports				
SEAGI - Grenoble airport	CC	99.00	CC	99.00
SEACA - Chambéry airport	CC	99.00	CC	99.00
SEACFA - Clermont-Ferrand airport	CC	99.00	CC	99.00
SEAQC - Quimper-Cornouaille airport	CC	99.00	CC	99.00
SCAGO - Aéroport du Grand Ouest	CC	84.00		
Stadiums				
Consortium Stade de France	CC	66.67	CC	66.67
Le Mans Stadium	CC	95.00	CC	95.00
Holding company and other activities				
VINCI Concessions	CC	100.00	CC	100.00

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Companies accounted for under the equity method

EM: Equity method

	31 December 2011		31 December 2010	
	Consolidation method	VINCI Concessions' percentage holding	Consolidation method	VINCI Concessions' percentage holding
Highway infrastructures				
VINCI Autoroutes				
ASF Group			EM	8.92
Other				
SMTPC (Prado–Carénage Tunnel, Marseilles)	EM	31.98	EM	30.49
Tunnel du Prado Sud (Marseilles)	EM	53.51	EM	53.51
Coentunnel (tunnel in the Netherlands)	EM	18.00	EM	18.00
Lusoponte (bridges on the Tagus - Portugal)	EM	37.27	EM	37.27
Severn River Crossing (bridges over the River Severn - UK)	EM	35.00	EM	35.00
Strait Crossing Development Inc (Confederation Bridge - Canada)	EM	18.80	EM	18.80
MRDC Operations Corporation (Canada)	EM	25.00	EM	25.00
Morgan VINCI Ltd (Newport bypass, UK)	EM	50.00	EM	50.00
Via Solution Südwest (Germany)	EM	47.00	EM	47.00
Via Gateway Thüringen (Germany)	EM	45.00		
Granvia (Slovakia)	EM	50.00	EM	50.00
NWCC - North West Concession Company (Moscow - St Petersburg motorway)	EM	38.75	EM	38.75
Olympia Odos (Elefsina - Corinth - Patras - Tsakona motorway, Greece)	EM	29.90	EM	29.90
Aegean Motorway (Maliakos - Kleidi motorway, Greece)	EM	13.75	EM	13.75
Railways				
Locorail (Liefkenshoek railway concessions - Belgium)	EM	25.00	EM	25.00
Synerail (GSM-Rail)	EM	25.00	EM	25.00
Rhônexpress	EM	35.20	EM	35.20
LISEA	EM	28.40		
VINCI Park				
Laz Parking (USA)	EM	50.00	EM	50.00
VINCI Airports				
SEARD - Rennes Dinard airport	EM	49.00	EM	49.00
Stadiums				
Nice Eco Stadium	EM	50.00		
Stade Bordeaux Atlantique	EM	50.00		

A2. Financially Responsible Letter

With regards to the East End Crossing RFP – Exhibit C, Section 2.0.3.b:

Financially Responsible Party Letter of Support

VINCI Concessions SAS, as an Equity Member, shall fund its equity contribution in full at Financial Close, and therefore no Financially Responsible Party Letter of Support is required for this Proposal in accordance with the RFP.

A3. SEC Filings

With regards to the East End Crossing RFP – Exhibit C, Section 2.0.3.c:

SEC Filings

VINCI Concessions SAS, as an Equity Member, does not file reports with the Security and Exchange Commission, and therefore there are no Form 10K, Form 10Q, or Form 8-K required for this Proposal in accordance with the RFP.

A4. Credit Ratings

CONFIDENTIAL

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Rueil-Malmaison, 26th October 2012

Dear Ms. Perez

Re: The East End Crossing (Louisville-Sothern Indiana Ohio River Bridges Project) (the "Project") - Request for Proposals, Exhibit C, Section 2.0 (3) (e)-(f)

We are writing in response to the Indiana Finance Authority's Request for Proposals ("RFP") in relation to the Project. We provide this letter in accordance with the requirements of Exhibit C, Part 2.0(3)(e) "Material Changes in Financial Condition" and Part 2.0(3)(f) "Off-Balance Sheet Liabilities" of the RFP. Enclosed in the Financial Proposal are the latest financial statements for VINCI Concessions S.A.S for the period that ended December 31, 2011. No interim financial statements VINCI Concessions S.A.S have been published nor are available for the period starting January 1st 2012.

VINCI Concessions S.A.S is hereby pleased to confirm that:

i. No material change in the financial position of VINCI Concessions S.A.S. has occurred ... since the subr mission of the SOQ;

ii. The details of material off-balance sheet liabilities are presented in:

Section 11.3 ' 'Other information on companies accounted for under the equity method - Commitment s made by the Group to provide funding (Capital and /or subordinated debt)" (page 3 33)

Section 19.2 ' 'Commitments made under concession contracts – intangible asset model (page 50)

Section 20.2 ' 'Commitments made under concession and PPP contracts – financial asset and bifurcate d models" (page 51) and

9, place de l'Europe – F 928 51 Rueil Malmaison Cedex
Tel : +33 1 47 16 35 00 – Fax x : +33 1 47 51 53 53
Internet : www.vinci.com

Société par Actions Simplifiée au c capital de 4 306 925 672 Euros
410 001 952 RCS Vnterre – TVA F FR 84 410 001 952

on

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VINCI CONCESSIONS

Section 23 “Contractual obligations and other off-balance sheet commitments” (page 53) of the notes to the 2011 consolidated IFRS financial statements of VINCI Concessions; and

iii. No public credit ratings exist for Vinci Concessions S.A.S.

Capitalized terms not otherwise defined herein shall have the meaning as set out in the RFP.

Yours sincerely,

Name: Olivier Mathieu

Title: Chief Financial and Asset Management Officer of VINCI Concessions SAS

9, place de l'Europe – F 92851 Rueil Malmaison Cedex
Tel : +33 1 47 16 35 00 – Fax : +33 1 47 51 53 53
Internet : www.vinci.com

A5. Material Changes in Financial Condition

CONFIDENTIAL

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Rueil-Malmaison, 26th October 2012

Dear Ms. Perez

Re: The East End Crossing (Louisville-Sothern Indiana Ohio River Bridges Project) (the "Project") - Request for Proposals, Exhibit C, Section 2.0 (3) (e)-(f)

We are writing in response to the Indiana Finance Authority's Request for Proposals ("RFP") in relation to the Project. We provide this letter in accordance with the requirements of Exhibit C, Part 2.0(3)(e) "Material Changes in Financial Condition" and Part 2.0(3)(f) "Off-Balance Sheet Liabilities" of the RFP. Enclosed in the Financial Proposal are the latest financial statements for VINCI Concessions S.A.S for the period that ended December 31, 2011. No interim financial statements VINCI Concessions S.A.S have been published nor are available for the period starting January 1st 2012.

VINCI Concessions S.A.S is hereby pleased to confirm that:

i. No material change in the financial position of VINCI Concessions S.A.S, has occurred since the submission of the SOQ;

ii. The details of material off-balance sheet liabilities are presented in:
Section 11.3 "Other information on companies accounted for under the equity method - Commitments made by the Group to provide funding (Capital and /or subordinated debt)" (page 33)

Section 19.2 "Commitments made under concession contracts – intangible asset model (page 50)

Section 20.2 "Commitments made under concession and PPP contracts – financial asset and bifurcated models" (page 51) and

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Internet : www.vinci.com

on

VINCI CONCESSIONS

Section 23 "Contractual obligations and other off-balance sheet commitments" (page 53) of the notes to the 2011 consolidated IFRS financial statements of VINCI Concessions; and

iii. No public credit ratings exist for Vinci Concessions S.A.S.

Capitalized terms not otherwise defined herein shall have the meaning as set out in the RFP.

Yours sincerely,

Name: Olivier Mathieu

Title: Chief Financial and Asset Management Officer of VINCI Concessions SAS

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Internet : www.vinci.com

A6. Off-Balance Sheet Liabilities

CONFIDENTIAL

VINCI CONCESSIONS

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Rueil-Malmaison, 26th October 2012

Dear Ms. Perez

Re: The East End Crossing (Louisville-Sothern Indiana Ohio River Bridges Project) (the "Project") - Request for Proposals, Exhibit C, Section 2.0 (3) (e)-(f)

We are writing in response to the Indiana Finance Authority's Request for Proposals ("RFP") in relation to the Project. We provide this letter in accordance with the requirements of Exhibit C, Part 2.0(3)(e) "Material Changes in Financial Condition" and Part 2.0(3)(f) "Off-Balance Sheet Liabilities" of the RFP. Enclosed in the Financial Proposal are the latest financial statements for VINCI Concessions S.A.S for the period that ended December 31, 2011. No interim financial statements VINCI Concessions S.A.S have been published nor are available for the period starting January 1st 2012.

VINCI Concessions S.A.S is hereby pleased to confirm that:

i. No material change in the financial position of VINCI Concessions S.A.S, has occurred since the submission of the SOQ;

ii. The details of material off-balance sheet liabilities are presented in:
Section 11.3 "Other information on companies accounted for under the equity method - Commitments made by the Group to provide funding (Capital and /or subordinated debt)" (page 33)

Section 19.2 "Commitments made under concession contracts – intangible asset model (page 50)

Section 20.2 "Commitments made under concession and PPP contracts – financial asset and bifurcated models" (page 51) and

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Société par Actions Simplifiée au capital de 4 306 925 672 Euros
410 001 952 RCS Vnterre – TVA FR 84 410 001 952

on

VINCI CONCESSIONS

Section 23 "Contractual obligations and other off-balance sheet commitments" (page 53) of the notes to the 2011 consolidated IFRS financial statements of VINCI Concessions; and

iii. No public credit ratings exist for Vinci Concessions S.A.S.

Capitalized terms not otherwise defined herein shall have the meaning as set out in the RFP.

Yours sincerely,

Name: Olivier Mathieu

Title: Chief Financial and Asset Management Officer of VINCI Concessions SAS

9, place de l'Europe – F 92851 Rueil Malmaison Cedex
Tel : +33 1 47 16 35 00 – Fax : +33 1 47 51 53 53
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A. Updated Financial Information VINCI Construction Grands Projets - Design-Build Contractor (JV Member)

CONFIDENTIAL

VINCI CONSTRUCTION | GRANDS PROJETS

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Rueil-Malmaison, 26th October 2012

Dear Ms. Perez

Re: The East End Crossing (Louisville-Sothern Indiana Ohio River Bridges Project) (the "Project") - Request for Proposals, Exhibit C, Section 2.0 (3) (e)-(f)

We are writing in response to the Indiana Finance Authority's Request for Proposals ("RFP") in relation to the Project. We provide this letter in accordance with the requirements of Exhibit C, Part 2.0(3)(e) "Material Changes in Financial Condition" and Part 2.0(3)(f) "Off-Balance Sheet Liabilities" of the RFP. Enclosed in the Financial Proposal are the latest VINCI Construction Grands Projets's audited financial statements for the period that ended December 31st, 2011. We also enclosed VINCI Construction Grands Projets's interim financial statements which have been published and audited for the period that ended June 30th, 2012.

VINCI Construction Grands Projets is hereby pleased to confirm that:

i. No material change in the financial position of VINCI Construction Grands Projets has occurred since the submission of the SOQ;

ii. There is no off-balance sheet liabilities in excess of US$ 25 million dollars in the aggregate for VINCI Construction Grands Projets; and

iii. No public credit ratings exist for VINCI Construction Grands Projets.

Capitalized terms not otherwise defined herein shall have the meaning as set out in the RFP.

Yours sincerely,

Name: Philippe Masselot

Title: Chief Financial Officer

VINCI Construction Grands Projets
5, cours Ferdinand de Lesseps
F-92851 RUEIL-MALMAISON - France
Tel : +33 1 47 16 47 00
Fax : +33 1 47 16 33 60
Internet : http://www.vinci-construction-projects.com/projets

A1. Financial Statements

With regards to the East End Crossing RFP – Exhibit C, Section 2.0:

Financial Statements

Attached are the following financial statements for VINCI Construction Grands Projets in accordance with the RFP:

- Audited Financial Statement for period ending December 31, 2011
- Unaudited Interim Financial Statement for period ending June 30, 2012

The unaudited interim financial statements for VINCI Construction Grands Projets included in the Financial Proposal are confidential and have been REDACTED.

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VINCI CONSTRUCTION GRANDS PROJETS

French Simplified Limited Liability company (*Société par Actions Simplifiée*)

5, cours Ferdinand-de-Lesseps

92500 Rueil-Malmaison

Report of the Statutory Auditors on the Consolidated Financial Statements

Year ended 31 December 2011

CONFIDENTIAL

KPMG AUDIT Department of KPMG S.A. 1, cours de Valmy 92923 Paris La Défense cedex		DELOITTE & ASSOCIÉS 185, avenue Charles de Gaulle 92524 Neuilly-sur-Seine cedex

VINCI CONSTRUCTION GRANDS PROJETS

French Simplified Limited Liability company (Société par Actions Simplifiée)

5, cours Ferdinand-de-Lesseps

92500 Rueil-Malmaison

Report of the Statutory Auditors on the Consolidated Financial Statements

Year ended 31 December 2011

To the Sole Shareholder,

In accordance with our appointment as Statutory Auditors by your Shareholders' General Meeting, we hereby report to you for the year ended 31 December 2011 on:

- the audit of the accompanying consolidated financial statements of VINCI Construction Grands Projets S.A.S;
- the justification of our assessments; and
- the specific verification required by law.

Your Chairman is responsible for preparation of the consolidated financial statements. Our role is to express an opinion on these financial statements, based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit in such a way as to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit consists in examining, by sampling or other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements. It also consists in assessing the accounting principles used, significant estimates made and the overall presentation of the financial statements. We believe that the information that we have collected provides a sufficient and appropriate basis for our opinion.

In our opinion, the consolidated financial statements for the period have been correctly prepared and give a true and fair view of the financial position, the assets and liabilities and the results of the operations of the group formed by the persons and entities included in the consolidation, in accordance with the International Financial Reporting Standards as endorsed by the European Union.

II. Justification of our assessments

As required by Article L.823-9 of the French Commercial Code relating to the justification of our assessments, we inform you of the following:

As stated in Note I.3.1, the VINCI Construction Grands Projets group uses estimates prepared on the basis available at the time of preparing its consolidated financial statements, in a context of financial crisis in the Eurozone, where the medium-term outlook for business is difficult to assess due to the impacts on financial market volatility, access to financing and economic growth. These estimates relate in particular to construction contracts: the VINCI Construction Grands Projets Group recognises income from its long-term contracts using the percentage of completion method on the basis of the best available estimates of the final outcome of contracts, as stated in Note A.3.1. We have assessed the assumptions used and reviewed your Company's calculations.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole and have therefore contributed to the formation of our opinion, given in the first part of this report.

III. Specific verification

We have also verified, in accordance with the professional standards applicable in France and as required by law, the information contained in the Group Directors' Report.

We have no comments to make as to its fair presentation and its consistency with the consolidated financial statements.

Paris La Défense and Neuilly-sur-Seine, 15 February 2012

The Statutory Auditors

KPMG Audit A Department of KPMG S.A.	Deloitte & Associés
Philippe Bourhis	Marc de Villartay

CONFIDENTIAL

VINCI CONSTRUCTION GRANDS PROJETS

Société par Actions Simplifiée

5, cours Ferdinand-de-Lesseps
92500 Rueil-Malmaison

Rapport des Commissaires aux comptes sur les comptes consolidés

Exercice clos le 31 décembre 2011

KPMG AUDIT
Département de KPMG S.A.
1, cours Valmy
92923 Paris La Défense Cedex

DELOITTE & ASSOCIES

185, avenue Charles de Gaulle
92524 Neuilly-sur-Seine Cedex

VINCI CONSTRUCTION GRANDS PROJETS

Société par Actions Simplifiée

5, cours Ferdinand-de-Lesseps
92500 Rueil-Malmaison

Rapport des Commissaires aux comptes sur les comptes consolidés

Exercice clos le 31 décembre 2011

A l'attention de l'associé unique,

En exécution de la mission qui nous a été confiée par vos soins, nous vous présentons notre rapport relatif à l'exercice clos le 31 décembre 2011, sur :

- le contrôle des comptes consolidés de la société VINCI CONSTRUCTION GRANDS PROJETS – S.A.S., tels qu'ils sont joints au présent rapport ;
- la justification de nos appréciations ;
- la vérification spécifique prévue par la loi.

Les comptes consolidés ont été arrêtés par le Président. Il nous appartient, sur la base de notre audit, d'exprimer une opinion sur ces comptes.

I. Opinion sur les comptes consolidés

Nous avons effectué notre audit selon les normes d'exercice professionnel applicables en France ; ces normes requièrent la mise en œuvre de diligences permettant d'obtenir l'assurance raisonnable que les comptes consolidés ne comportent pas d'anomalies significatives. Un audit consiste à vérifier, par sondages ou au moyen d'autres méthodes de sélection, les éléments justifiant des montants et informations figurant dans les comptes consolidés. Il consiste également à apprécier les principes comptables suivis, les estimations significatives retenues et la présentation d'ensemble des comptes. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Nous certifions que les comptes consolidés de l'exercice sont, au regard du référentiel IFRS tel qu'adopté dans l'Union européenne, réguliers et sincères et donnent une image fidèle du patrimoine, de la situation financière, ainsi que du résultat de l'ensemble constitué par les personnes et entités comprises dans la consolidation.

II. Justification des appréciations

En application des dispositions de l'article L. 823-9 du Code de commerce relatives à la justification de nos appréciations, nous portons à votre connaissance les éléments suivants :

Comme indiqué dans la note I.3.1 de l'annexe, le groupe VINCI Construction Grands Projets a recours à des estimations établies en fonction des informations disponibles lors de l'établissement de ses comptes consolidés, dans un contexte de crise financière de la zone euro, dont les conséquences notamment sur la volatilité des marchés financiers, l'accès au financement et la croissance économique rendent difficile l'appréhension des perspectives à moyen terme pour les entreprises. Ces estimations portent notamment sur les contrats de construction : le groupe VINCI Construction Grands Projets comptabilise le résultat de ses contrats à long terme selon la méthode de l'avancement sur la base des meilleures estimations disponibles des résultats à terminaison, comme indiqué dans la note I.3.1.1. Nous avons apprécié les hypothèses retenues par la société pour ces estimations et revu les calculs effectués.

Les appréciations ainsi portées s'inscrivent dans le cadre de notre démarche d'audit des comptes consolidés, pris dans leur ensemble, et ont donc contribué à la formation de notre opinion exprimée dans la première partie de ce rapport.

III. Vérification spécifique

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, à la vérification spécifique prévue par la loi des informations relatives au groupe données dans le rapport de gestion.

Nous n'avons pas d'observation à formuler sur leur sincérité et leur concordance avec les comptes consolidés.

Paris La Défense et Neuilly-sur-Seine, le 15 février 2012

Les Commissaires aux comptes

KPMG AUDIT Département de KPMG S.A.	DELOITTE & ASSOCIES
Philippe Bourhis	Marc de Villartay

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VINCI CONSTRUCTION | GRANDS PROJETS

CONSOLIDATED IFRS BALANCE SHEET AT 31 DECEMBER 2011

Assets

(in $ thousands)	2011 Gross	2011 Depreciation provisions	2011 Net	2010 Net
Non-current assets				
Intangible assets	11 672	11 249	**423**	**197**
Goodwill	340	340		
Property, plant and equipment	156 147	98 422	**57 725**	**64 658**
Investments in equity-accounted companies	18657		**18 657**	**17 714**
Other non-current financial assets	21 036	5 420	**15 616**	**14 771**
Non-current deferred tax assets	11 796		**11 796**	**9 884**
Total non-current assets	**219 648**	**115 431**	**104 217**	**107 224**

	2011	2010
Year end Rate USD / €	1,2939	1,3362

(in $ thousands)	2011 Gross	2011 Depreciation provisions	2011 Net	2010 Net
Current assets				
Inventories and work in progress	23 847	612	**23 235**	**32 728**
Trade receivables and related accounts	349 869	12 277	**337 592**	**407 949**
Other operating receivables	379 466	38 293	**341 173**	**237 447**
Other current assets	41 788	157	**41 631**	**38 978**
Current tax assets	1 826		**1 826**	**1 472**
Current deferred tax assets	168		**168**	**1 829**
Cash management financial assets	530 887	180	**530 707**	**506 457**
Cash and cash equivalents	177 297		**177 297**	**126 100**
Total current assets	**1 505 148**	**51 519**	**1 453 629**	**1 352 960**
TOTAL ASSETS	**1 724 796**	**166 950**	**1 557 846**	**1 460 184**

Equity and liabilities

(in $ thousands)	2011	2010
Equity		
Share capital	**87 796**	**90 667**
Share premium	**24 910**	**25 725**
Consolidated reserves	**38 318**	**36 919**
Net profit for the period	**29 958**	**38 218**
Interim dividend		**(6 709)**
Equity attributable to equity holders of the parent	**180 982**	**184 820**
Minority interest		
Total equity	**180 982**	**184 820**
Non-current liabilities		
Retirement and other employee benefit obligations	**12 256**	**11 865**
Non-current provisions	**13 705**	**12 691**
Other non-current liabilities	**2 760**	
Non-current deferred tax liabilities	**1 230**	**1 269**
Total non-current liabilities	**29 951**	**25 825**
Current liabilities		
Current provisions	**258 981**	**251 681**
Trade payables	**336 254**	**321 955**
Current tax payables	**2 704**	**2 738**
Current deferred tax liabilities	**168**	**1 829**
Current borrowings	**20 256**	**30 825**
Other current payables	**728 550**	**640 511**
Total current liabilities	**1 346 913**	**1 249 539**
TOTAL EQUITY AND LIABILITIES	**1 557 846**	**1 460 184**

KPMG

KPMG Audit
1, cours Valmy
92923 Paris La Défense Cedex

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VINCI CONSTRUCTION | GRANDS PROJETS

CONSOLIDATED IFRS INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
Year end Rate USD / €	1,2939	1,3362

(in $ thousands)	2011	2010
Revenue	**665 797**	**746 560**
Revenue from ancillary activities	1 492	6 058
Operating revenue	**667 289**	**752 618**
Purchases consumed	(202 811)	(306 743)
Sub-contracting and other external expenses	(147 534)	(183 193)
Employment costs	(224 540)	(237 967)
Taxes and levies	(9 271)	(11 477)
Other operating income and expenses	(1 575)	(631)
Net amortisation, depreciation, and provisions	(51 922)	10 690
Operating profit from ordinary activities	**29 636**	**23 297**
(% of revenue)	*4,45%*	*3,12%*
Share-based payments	(3 804)	(2 676)
Profit/(loss) of equity-accounted companies	7 717	13 087
Operating profit	**33 549**	**33 708**
(% of revenue)	*5,04%*	*4,52%*
Cost of gross financial debt	(440)	(1 228)
Financial income from cash management investments	6 151	4 686
Cost of net financial debt	**5 711**	**3 458**
Other financial income and expenses	(4 153)	1 260
Income tax expense	(4 520)	(2 794)
Net profit for the period	**30 587**	**35 632**
Net profit attributable to minority interests	629	(2 586)
Net profit attributable to equity holders of the parent	**29 958**	**38 218**
(% of revenue)	*4,50%*	*5,12%*
Number of shares	4 523 591	4 523 591
Earnings per share (USD)	**6,62**	**8,45**

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VINCI CONSTRUCTION | GRANDS PROJETS

IFRS consolidated financial statements at 31 December 2011

IFRS CASH FLOW STATEMENT

	2011	2010
Year end Rate USD / €	1,2939	1,3362

(in $ thousands)		2011	2010
Net profit for the period (including minority interest)		30 587	35 632
Depreciation and amortisation		27 279	25 317
Net increase / (decrease) in provisions		2 354	603
Share-based payment expense (IFRS 2)		(860)	(2 166)
Gains and losses on disposals		2 971	(459)
Dividends received from unconsolidated companies and share in profit or loss of equity-accounted companies		(7 717)	(13 087)
Change in fair value of foreign currency derivative financial instruments		(22)	(1 199)
Cost of net financial debt recognised		(5 711)	(3 458)
Current and deferred tax expense recognised		4 520	2 794
Cash flows (used in) / from operations before tax and financing costs		**53 401**	**43 977**
Changes in operating WCR (including liabilities related to employee benefits)		85 243	(40 715)
Change in current provisions		10 345	(25 873)
Income taxes paid		(5 638)	(3 673)
Net interest paid (including finance lease interest)		6 125	3 190
Dividends received from unconsolidated and equity-accounted companies		6 620	5 222
Net cash flows (used in) / from operating activities	**(I)**	**156 096**	**(17 872)**
Purchases of property, plant and equipment, and intangible assets		(29 168)	(37 098)
Proceeds from sales of property, plant and equipment, and intangible assets		6 902	6 821
Purchases of non-current financial assets		(299)	
Proceeds from disposal of non-current financial assets		230	
Net effect of changes in scope of consolidation		(131)	227
Change in non-current financial assets and liabilities		550	(11 446)
Net cash flows (used in) / from investing activities	**(II)**	**(21 916)**	**(41 496)**
Dividends paid by the parent company		(27 451)	(38 801)
Change in loans and other financial liabilities		(260)	(14 657)
Change in cash management assets and liabilities		(45 368)	84 819
Net cash flows (used in) / from financing activities	**(III)**	**(73 079)**	**31 361**
Change in net cash	**(I)+(II)+(III)**	**61 101**	**(28 007)**
Net cash and cash equivalents at beginning of period		97 385	127 881
Effect of changes in foreign exchange rates		497	695
Net cash and cash equivalents at end of period		**158 983**	**100 569**

	2011	2010
Net cash and cash equivalents at end of period	***158 983***	***100 569***
Cash management financial assets	530 707	506 457
Other current and non-current financial debt (excluding bank overdrafts)	(1 942)	(5 294)
Net financial surplus at end of period	***687 748***	***601 732***

KPMG
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VINCI CONSTRUCTION | GRANDS PROJETS

Consolidated
financial statements
2011

CONTENT

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2011 Key figures

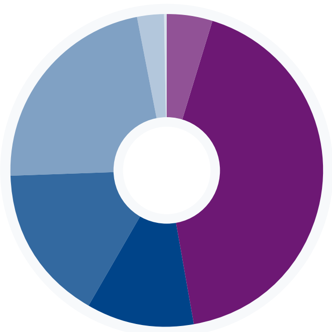
(including jointly controlled entities)

51 projects | operations in **29** country | **3,587** employees worldwide

REVENUE
in euros millions

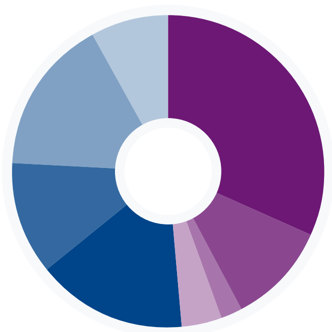
€ 624.7 M

BY GEOGRAPHICAL MARKET



France	29.7
Europe	265.6
The Americas	69.6
Africa	102.1
Middle East	139.2
Asia	17.4
Australia	1.1

BY BUSINESS LINE

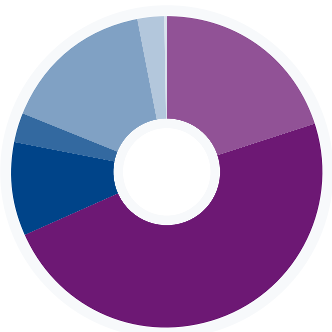


Tunnels	198.4
Roads	65.6
Bridges	15.2
Other	25.8
Total transport infrastructure	305.0
Hydraulics works	97.5
Energy	71.8
Building	101.1
Majors Facilities	49.3

ORDER BOOK
in euros millions

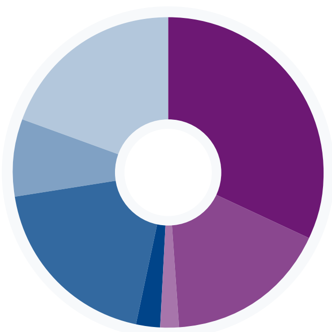
€ 2,041.5 M

BY GEOGRAPHICAL MARKET



France	405.7
Europe	990.7
The Americas	198.7
Africa	64.3
Middle East	323.4
Asia	57.8
Australia	0.9

BY BUSINESS LINE



Tunnels	654.8
Roads	346.7
Other	38.1
Total transport infrastructure	1,039.6
Hydraulics works	51.1
Energy	388.2
Building	165.8
Majors Facilities	396.8

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2011 Key figures

(including jointly controlled entities)

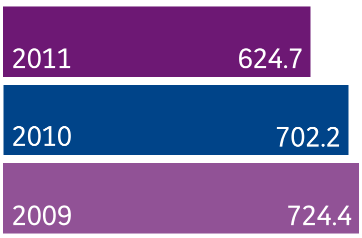
€ 624.7 M
of revenue

€ 29.0 M
of operating profit from ordinary activities

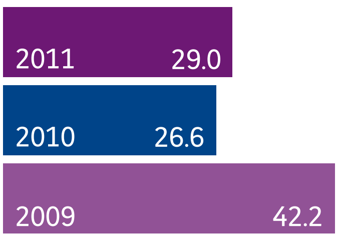
€ 23.2 M
of net profit attributable to equity holders of the parent

KEY FIGURES
in euros millions

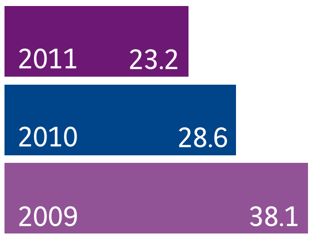
REVENUE



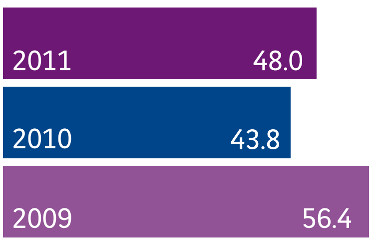
OPERATING PROFIT
FROM ORDINARY ACTIVITIES



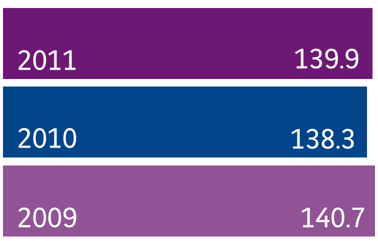
NET INCOME
AFTER TAX



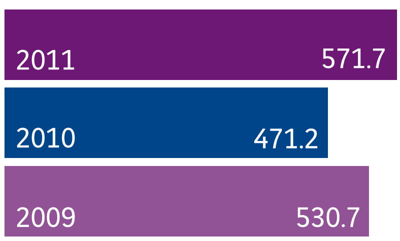
CASH FLOWS
FROM OPERATIONS
before tax and financing costs



EQUITY
INCLUDING NON-CONTROLLING INTEREST



CASH



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2011 Key figures

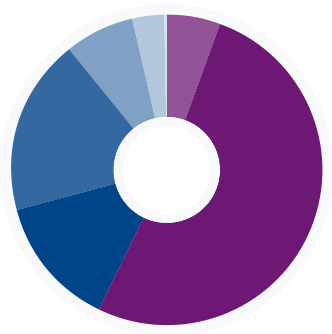
46 projects | operations in **28** country | **2,526** employees worldwide

REVENUE

in euros millions

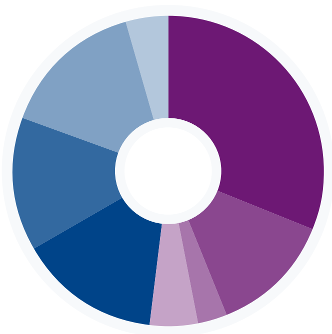
€ 514.6 M

BY GEOGRAPHICAL MARKET



France	29.7
Europe	265.6
The Americas	69.6
Africa	95.1
Middle East	36.1
Asia	17.4
Australia	1.1

BY BUSINESS LINE



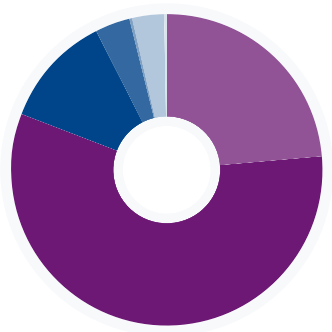
Tunnels	161.3
Roads	65.6
Bridges	15.2
Other	25.8
Total transport infrastructure	267.9
Hydraulics works	75.9
Energy	71.8
Building	77.2
Majors Facilities	21.8

ORDER BOOK

in euros millions

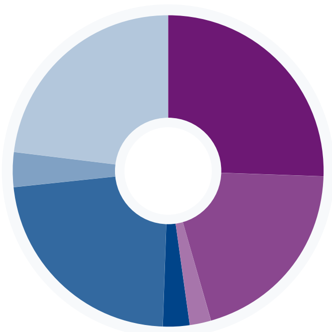
€ 1,721.9 M

BY GEOGRAPHICAL MARKET



France	405.7
Europe	990.6
The Americas	198.7
Africa	64.3
Middle East	3.9
Asia	57.8
Australia	0.9

BY BUSINESS LINE



Tunnels	441.6
Roads	346.7
Other	38.1
Total transport infrastructure	826.4
Hydraulics works	48.6
Energy	388.2
Building	62.6
Majors Facilities	396.1

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2011 Key figures

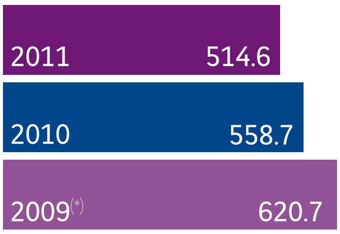
€ 514.6 M
of revenue

€ 22.9 M
of operating profit from ordinary activities

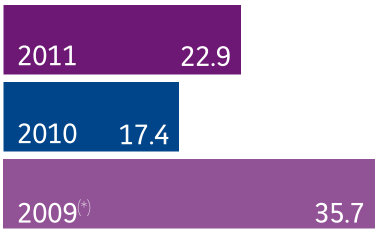
€ 23.2 M
of net profit attributable to equity holders of the parent

KEY FIGURES
in euros millions

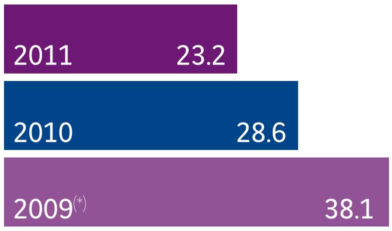
REVENUE



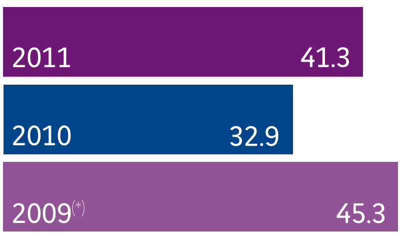
OPERATING PROFIT
FROM ORDINARY ACTIVITIES



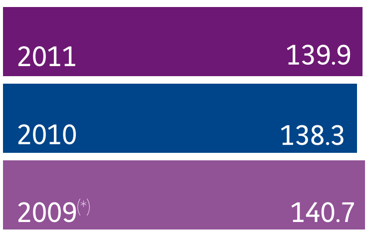
NET INCOME
AFTER TAX



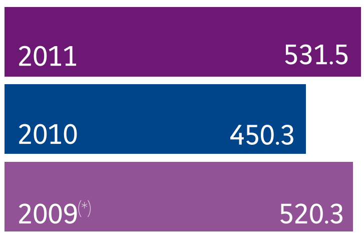
CASH FLOWS
FROM OPERATIONS
before tax and financing costs



EQUITY
INCLUDING NON-CONTROLLING INTEREST



CASH



(*) Restated following IAS 31 change of method: election for equity accounting of jointly controlled entities.

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Consolidated IFRS balance sheet
at 31 December 2011

ASSETS					
		2011			2010
in € thousands	NOTES	Gross	Amortisation and provisions	Net	Net
Non-current assets					
Intangible assets	1	9,021	8,694	327	147
Goodwill		263	263	-	-
Property, plant and equipment	2	120,679	76,066	44,613	48,389
Investments in equity-accounted companies	3	14,419	-	14,419	13,257
Other non-current financial assets	4	16,258	4,189	12,069	11,054
Non-current deferred tax assets	16	9,117	-	9,117	7,397
Total non-current assets		**169,757**	**89,212**	**80,545**	**80,244**
Current assets					
Inventories and work in progress	6	18,430	473	17,957	24,493
Trade receivables and related accounts	6	270,399	9,488	260,911	305,305
Other operating receivables	6	293,273	29,595	263,678	177,703
Other current assets	6	32,296	121	32,175	29,171
Current tax assets	6	1,411	-	1,411	1,102
Current deferred tax assets	16	130	-	130	1,369
Cash management financial assets	5-9	410,300	139	410,161	379,028
Cash and cash equivalents	5-9	137,025	-	137,025	94,372
Total current assets		**1,163,264**	**39,816**	**1,123,448**	**1,012,543**
TOTAL ASSETS		**1,333,021**	**129,028**	**1,203,993**	**1,092,787**

CONFIDENTIAL

Consolidated IFRS balance sheet
at 31 December 2011

EQUITY AND LIABILITIES *in € thousands*	NOTES	2011	2010
Equity			
Share capital		67,854	67,854
Share premium		19,252	19,252
Consolidated reserves		29,614	27,630
Net income for the period		23,154	28,602
Interim dividend		-	(5,021)
Equity attributable to owners of the parent		**139,874**	**138,317**
Non-controlling interests		-	-
Total equity		**139,874**	**138,317**

Non-current liabilities			
Retirement and other employee benefit obligations	7	9,472	8,880
Non-current provisions	8	10,592	9,498
Other non-current liabilities		2,133	-
Non-current deferred tax liabilities	16	951	950
Total non-current liabilities		**23,148**	**19,328**

Current liabilities			
Current provisions	6-8	200,155	188,356
Trade payables	6	259,876	240,948
Current tax liabilities	6	2,090	2,049
Current deferred tax liabilities	16	130	1,369
Current borrowings	9	15,655	23,069
Other current payables	6-10	563,065	479,351
Total current liabilities		**1,040,971**	**935,142**
TOTAL EQUITY AND LIABILITIES		**1,203,993**	**1,092,787**

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Consolidated IFRS income statement
for the period 1 January to 31 December 2011

in € thousands	NOTES	2011	2010
Revenue	12	**514,566**	**558,719**
Revenue from ancillary activities		1,153	4,534
Revenue and other operating income	13	**515,719**	**563,253**
Purchases consumed		(156,744)	(229,564)
Subcontracting and other external expenses		(114,023)	(137,100)
Employment costs	20	(173,537)	(178,092)
Taxes and levies		(7,165)	(8,589)
Other operating income and expense		(1,217)	(472)
Net depreciation, amortisation and provision expenses		(40,128)	8,000
OPERATING PROFIT FROM ORDINARY ACTIVITIES	13	**22,905**	**17,436**
(as % of revenue)		*4.45%*	*3.12%*
Share-based payment expense	14	(2,940)	(2,003)
Profit/(loss) of equity-accounted companies		5,964	9,794
OPERATING INCOME		**25,929**	**25,227**
(as % of revenue)		*5.04%*	*4.52%*
Cost of gross financial debt		(340)	(919)
Financial income from cash investments		4,754	3,507
COST OF NET FINANCIAL DEBT		**4,414**	**2,588**
Other financial income and expense	15	(3,210)	943
Income tax expense	16	(3,493)	(2,091)
NET INCOME FOR THE PERIOD		**23,640**	**26,667**
Net income attributable to non-controlling interests		486	(1,935)
NET INCOME FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT		**23,154**	**28,602**
(as % of revenue)		*4.50%*	*5.12%*
Number of shares		4,523,591	4,523,591
EARNINGS PER SHARE *(in euros)*		**5.12**	**6.32**

Consolidated statement of comprehensive income

in € thousands	2011	2010
NET INCOME FOR THE PERIOD (including non-controlling interests)	**23,640**	**26,667**
Currency translation differences	(485)	1,335
Income and expense recognised directly in equity	**(485)**	**1,335**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**23,155**	**28,002**
of which: Attributable to owners of the parent	22,733	29,906
Net income attributable to non-controlling interests	422	(1,904)

CONFIDENTIAL

Consolidated IFRS cash flow statement
at 31 December 2011

in € thousands	2011	2010
Consolidated net income for the period (including non-controlling interests)	23,640	26,667
Depreciation and amortisation	21,083	18,947
Net increase / decrease in provisions	1,819	451
Share-based payments (IFRS 2)	(665)	(1,621)
Gain or loss on disposal	2,296	(344)
Dividends received from unconsolidated companies and profit or loss of equity-accounted companies	(5,964)	(9,794)
Change in fair value of foreign exchange derivative financial instruments and other	(17)	(897)
Cost of net financial debt recognised	(4,414)	(2,588)
Current and deferred tax expense recognised	3,493	2,091
Cash flows (used in) / from operations before tax and financing costs	**41,271**	**32,912**
Change in operating working capital requirement (including debts related to employee benefits)	65,881	(30,471)
Change in current provisions	7,995	(19,363)
Income taxes paid	(4,357)	(2,749)
Net interest paid (including finance lease interest)	4,734	2,387
Dividends received from unconsolidated and equity-accounted companies	5,116	3,908
Cash flows (used in) / from operating activities (I)	**120,640**	**(13,376)**
Purchases of property, plant and equipment, and intangible assets	(22,543)	(27,764)
Proceeds from sales of property, plant and equipment, and intangible assets	5,334	5,105
Purchases of non-current financial assets	(231)	-
Proceeds from sales of non-current financial assets	178	-
Net effect of changes in scope of consolidation	(101)	170
Change in non-current financial assets and liabilities	425	(8,566)
Net cash flows (used in) / from investing activities (II)	**(16,938)**	**(31,055)**
Dividends paid by the parent company	(21,216)	(29,038)
Change in loans and other financial liabilities	(201)	(10,969)
Change in cash management assets and liabilities	(35,063)	63,478
Net cash flows (used in) / from financing activities (III)	**(56,480)**	**23,471**
CHANGE IN NET CASH (I+II+III)	**47,222**	**(20,960)**
Net cash and cash equivalents at beginning of period	75,265	95,705
Effect of changes in foreign exchange rates	384	520
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	**122,871**	**75,265**

Net cash and cash equivalents at end of period	122,871	75,265
Cash management financial assets	*410,161*	*379,028*
Other current and non-current financial debt (excluding bank overdrafts)	*(1,501)*	*(3,962)*
NET FINANCIAL SURPLUS AT THE END OF THE PERIOD	**531,531**	**450,331**

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Statement of changes in consolidated equity
at 31 December 2011

in € thousands	SHARE CAPITAL	PREMIUMS AND RESERVES	CURRENCY TRANSLATION DIFFERENCES	NET INCOME	NET INCOME RECOGNISED DIRECTLY IN EQUITY	**TOTAL ATTRIBUTABLE TO HOLDERS OF THE PARENT**	NON-CONTROLLING INTERESTS	TOTAL
At 31 December 2009	**67,854**	**31,194**	**2,210**	**38,056**	-	**139,314**	**1,375**	**140,689**
Allocation of net income of previous period	-	38,056	-	(38,056)	-	-	-	-
Currency translation differences and miscellaneous	-	(869)	1,304	-	-	435	628	1,063
Interim dividend	-	(5,021)	-	-	-	(5,021)	-	(5,021)
Dividend payments	-	(24,017)	-	-	-	(24,017)	(68)	(24,085)
Share-based payments (IFRS 2)	-	(996)	-	-	-	(996)	-	(996)
Net income for the period	-	-	-	28,602	-	28 602	(1,935)	26,667
At 31 December 2010	**67,854**	**38,347**	**3,514**	**28,602**	-	**138,317**	-	**138,317**
Allocation of net income of previous period	-	28,602	-	(28,602)	-	-	-	-
Currency translation differences and miscellaneous	-	145	(424)	-	-	(279)	238	(41)
Interim dividend	-	-	-	-	-	-	-	-
Dividend payments	-	(21,216)	-	-	-	(21,216)	(724)	(21,940)
Share-based payments (IFRS 2)	-	(102)	-	-	-	(102)	-	(102)
Net income for the period	-	-	-	23,154	-	23,154	486	23,640
At 31 December 2011	**67,854**	**45,776**	**3,090**	**23,154**	-	**139,874**	-	**139,874**

At 31 December 2011, the parent company's share capital was represented by 4,523,591 shares of €15 nominal.

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Notes to the IFRS consolidated financial statements
at 31 December 2011

CONTENT

Notes to the consolidated IFRS financial statements
at 31 December 2011

I ACCOUNTING POLICIES AND MEASUREMENT

1. GENERAL PRINCIPLES

In application of Regulation (EC) No 1606/2002 of 19 July 2002, the Group's consolidated financial statements for the year ended 31 December 2011 have been prepared under the International Financial Reporting Standards (IFRS) as adopted by the European Union at 31 December 2011.

The accounting policies used at 31 December 2011 are the same as those used in preparing the consolidated financial statements at 31 December 2010, except for the Standards and Interpretations adopted by the European Union applicable as from 1 January 2011 (see Note I.1.1. *New Standards and Interpretations applicable from 1 January 2011*).

1.1 NEW STANDARDS AND INTERPRETATIONS APPLICABLE FROM 1 JANUARY 2011

The new Standards and Interpretations applicable from 1 January 2011 have no material impact on VINCI Construction Grands Projets' financial statements at 31 December 2011. These are mainly:

- Amendment to IAS 24 *Related Party Disclosures*
- Amendment to IAS 32 *Classification of Rights Issues*
- Amendment to IFRIC 14 *Prepayments of a Minimum Funding Requirement*
- IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments*
- The Amendments published in May 2010 under the IFRS annual improvements procedure.

1.2 STANDARDS AND INTERPRETATIONS ADOPTED BY THE IASB BUT NOT YET APPLICABLE AT 31 DECEMBER 2011

The Group has not applied early the following Standards and Interpretations of which application is not mandatory at 1 January 2011:

Standards on consolidation methods:
- IFRS 10 *Consolidated Financial Statements*
- IFRS 11 *Joint Arrangements*
- IFRS 12 *Disclosure of Interests in Other Entities*
- IAS 27 Revised *Consolidated and Separate Financial Statements*
- IAS 28 Revised *Investments in Associates and Joint Ventures*

Other Standards:
- IFRS 7 Amended *Disclosures—Transfers of Financial Assets*
- IFRS 9 *Financial Instruments*
- IFRS 13 *Fair Value Measurement*
- IAS 1 Amended *Presentation of Items of Other Comprehensive Income*
- IAS 12 Amended *Deferred Tax: Recovery of Underlying Assets*
- IAS 19 Amended *Employee Benefits*.

VINCI Construction Grands Projets is currently analysing the impacts and practical consequences of the application of these Standards and Interpretations.

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Notes to the consolidated IFRS financial statements
at 31 December 2011

2. CONSOLIDATION METHODS

2.1 CONSOLIDATION SCOPE

Companies in which the Group holds, whether directly or indirectly, the majority of voting rights exercises de facto control, are fully consolidated.
Companies over which VINCI Construction Grands Projets exercises significant influence, and jointly controlled companies, are accounted for using the equity method.
Jointly controlled operations and assets are recognised on the basis of the Group's share of the assets, liabilities, income and expenses. This mainly relates to construction work carried out as a member of a consortium or partnership, which represents a major part of the Group's revenue and balance sheet accounts.

Consolidation scope by reporting method	31 December 2011			31 December 2010		
number of companies	**Total**	France	Foreign	**Total**	France	Foreign
Full consolidation	**22**	8	14	**28**	8	20
Equity method	**1**	-	1	**1**	-	1
TOTAL	**23**	**8**	**15**	**29**	**8**	**21**

2.2 INTRAGROUP TRANSACTIONS

Reciprocal operations and transactions relating to assets and liabilities, income and expenses between companies that are consolidated or equity-accounted are eliminated in the consolidated financial statements. This is done:
- for the full amount if the transaction is between two controlled subsidiaries;
- applying the percentage owned of an equity-accounted entity in the case of internal profits or losses realised between a fully consolidated entity and an equity-accounted entity.

2.3 TRANSLATION OF THE FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES AND ESTABLISHMENTS

In most cases, the functional currency of foreign companies and establishments is their local currency.

The financial statements of foreign companies presented in a currency other than that used in preparing the Group's consolidated financial statements are translated at the closing rate method.

Balance sheet items are translated at the exchange rate at the balance sheet date and income statement items are translated using the average rate for the period (which represents the best estimate currency exchange rate at the transaction date). Any resulting translation differences are recognised under translation differences in consolidated reserves. Goodwill relating to foreign entities is considered as comprising part of the assets and liabilities acquired and is therefore translated at the exchange rate in force at the balance sheet date.

2.4 FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are translated into euros at the exchange rate at the transaction date. At the balance sheet date, trade receivables and payables expressed in foreign currencies are translated at the closing rate. Resulting exchange gains and losses are recognised under *Foreign exchange gains and losses* and are shown under *Other financial income and expense* in the income statement.

Foreign exchange gains and losses arising on loans denominated in foreign currency or on foreign currency derivatives used to hedge investments in foreign subsidiaries are recorded under currency translation differences in equity.

2.5 BUSINESS COMBINATIONS

Business combinations completed between 1 January 2004 and 31 December 2009 have been recognised applying the provisions of the previous version of IFRS 3.

Business combinations completed from 1 January 2010 onwards are recognised in accordance with IFRS 3 Revised. This Standard is applied prospectively. It therefore does not affect business combinations made before 1 January 2010. In application of this revised Standard, the Group recognises the identifiable assets, liabilities and some contingent liabilities at their fair value at the dates when control was acquired.

The cost of a business combination is the fair value, at the date of exchange, of the assets given, liabilities assumed, and/or equity instruments issued by the acquirer in exchange for control of the acquiree, plus any costs directly attributable to the acquisition.

When an agreement provides for an adjustment to the purchase price contingent on future events, the Group includes the amount of that adjustment in the valuation of the target entity at the acquisition date if the adjustment is probable and can be measured reliably.

The cost of acquisition is allocated by recognising the acquiree's identifiable assets, liabilities assumed and contingent liabilities at their fair value at that date, except for assets or asset groups classified as held for sale under IFRS 5, which are recognised at their fair value less costs to sell. The positive difference between the cost of acquisition, as defined above, and the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill.

The Group has twelve months from the date of acquisition to finalise the accounting for business combinations.

2.6 TRANSACTIONS BETWEEN SHAREHOLDERS

In accordance with IAS 27 Revised, acquisitions or disposals of non-controlling interests, with no change of control, are considered as transactions with the Group's shareholders.

Under this approach, the difference between the consideration paid to increase the percentage shareholding in an already-controlled entity and the supplementary share of equity thus acquired is recorded under consolidated equity. Similarly, a decrease in the Group's percentage interest in an entity that continues to be controlled is booked in the accounts through equity, with no impact on profit or loss.

3. MEASUREMENT RULES AND METHODS APPLIED BY THE GROUP

3.1 USE OF ESTIMATES

The preparation of financial statements under the IFRSs requires estimates to be used and assumptions to be made that affect the amounts shown in those financial statements.

These estimates assume the operation is a going concern and are made on the basis of the information available at the time. Estimates may be revised if the circumstances on which they were based alter or if new information becomes available. Actual results may be different from these estimates.

The consequences of the financial crisis in the eurozone, in particular financial markets volatility, access to finance and economic growth make it difficult to assess businesses' medium term outlook. The consolidated financial statements for the period have therefore been prepared with reference to this immediate environment, in particular as regards the estimates given below.

3.1.1 MEASUREMENT OF CONSTRUCTION CONTRACT PROFIT OR LOSS USING THE STAGE OF COMPLETION METHOD

The Group recognises revenue and profit and loss on construction contracts using the stage of completion method.

The percentage of completion is calculated on the basis of chargeable costs, corresponding to a physical measurement of work which is converted into the chargeable costs necessary to carry it out.

Revenue and profit or loss to recognise are determined on the basis of a large number of estimates based on monitoring of the work performed and using the benefit of experience to take account of unforeseen circumstances. In consequence, adjustments may be made to initial estimates throughout the contract and may materially affect future results.

3.1.2 MEASUREMENT OF SHARE-BASED PAYMENT EXPENSES UNDER IFRS 2

The Group recognises a share-based payment expense relating to the granting to its employees of share options (offers to subscribe to or purchase shares), VINCI performance share plans and VINCI shares under the VINCI Group Savings Scheme. This expense is measured on the basis of actuarial calculations using estimated behavioural assumptions based on observation of past behaviour.

3.1.3 MEASUREMENT OF RETIREMENT BENEFIT OBLIGATIONS

The Group is involved in defined contribution and defined benefit retirement plans. Its obligations are measured actuarially, based on assumptions such as the discount rate, the return on the investments dedicated to these plans, future increases in wages and salaries, employee turnover, mortality rates and the rate of increase of health expenses.

These assumptions are generally updated annually. Details of the assumptions used and how they are determined are given in Note II .7 *Provisions for employee benefits*.

The Group considers that the actuarial assumptions used are appropriate and justified in the current conditions. Obligations may, however, change if assumptions change.

3.1.4 MEASUREMENT OF PROVISIONS

The factors that materially influence the amount of provisions relate to:
- the estimates made on the basis of expenses incurred in previous years, for after-sales-service provisions;
- the estimates of forecast profit or loss on construction contracts, which serve as a basis for the determination of losses on completion (see Note 3.4. *Construction contracts*);
- the discount rates used to determine the present value of these provisions.

3.1.5 MEASUREMENT OF FINANCIAL INSTRUMENTS AT FAIR VALUE

Whenever financial instruments are not listed on a market, the Group uses, in assessing their fair value, measurement models based on assumptions that give preference to the use of observable inputs.

3.2 REVENUE

Consolidated revenue is recognised in accordance with IAS 11, as described below.
The total includes the revenue, after elimination of intragroup transactions, of:
- fully consolidated companies;
- jointly controlled operations and assets on the basis of the Group's share. This relates to construction work carried out through partnerships.

The method for recognising revenue in respect of construction contracts is explained in Note 3.4 *Construction contracts* below.

3.3 REVENUE FROM ANCILLARY ACTIVITIES

Revenue from ancillary activities is recognised in accordance with IAS 18. It comprises rental income, sales of equipment, materials and merchandise, study work and fees.

3.4 CONSTRUCTION CONTRACTS

The Group recognises construction contract income and expense using the stage of completion method defined by IAS 11.

For VINCI Construction Grands Projets, the stage of completion is usually determined on a physical basis.

If the estimate of the final outcome of a contract indicates a loss, a provision is made for the loss on completion regardless of the stage of completion, based on the best estimates of income, including, if need be, any rights to additional revenue or claims, based on a reasonable assesment. Provisions for losses on completion are shown under liabilities.

Part payments received under construction contracts before the corresponding work has been carried out are recognised under liabilities under advances and payments on account received.

3.5 SHARE-BASED PAYMENTS

The measurement and recognition methods for share subscription and purchase plans, Group savings schemes and performance share plans, are defined by IFRS 2 *Share-based Payment*.

The granting of share options, VINCI performance shares and offers to subscribe to the VINCI Group Savings Scheme represent a benefit granted to their beneficiaries and therefore constitute supplementary remuneration borne by VINCI Construction Grands Projets. Because such transactions do not give rise to monetary transactions, the benefits granted in this way are recognised as expenses in the period in which the rights are acquired, with a corresponding increase in equity. Benefits are measured on the basis of the fair value at the grant date of the equity instruments granted.

Benefits granted under share option plans, performance share plans and the Group Savings Scheme are implemented as decided by VINCI's Board of Directors after approval by the Shareholders' General Meeting, and are not, in general, systematically renewed. As their measurement is not directly linked to the business lines' operations, VINCI has considered it appropriate not to include the corresponding expense in the operating income from ordinary activities, which is an indicator of business lines' performance, but to report it on a separate line, labelled *Share-based payment expense* (*IFRS 2*), in operating income.

3.5.1 SHARE SUBSCRIPTION OR PURCHASE OPTION PLANS

Options to subscribe to or purchase VINCI shares have been granted to Group employees and Company officers. For some of these plans, definitive vesting of share subscription or purchase option plans is conditional on performance conditions, stock market performance or financial criteria, being met. The fair value of options is determined, at grant date, using the *Monte Carlo* valuation model, taking account of the impact of the market performance condition if applicable. The *Monte Carlo* model allows a larger number of scenarios to be modelled, by including in particular the valuation of assumptions about beneficiaries' behaviour on the basis of observation of historical data.

3.5.2 PERFORMANCE SHARE PLANS

Performance shares subject to vesting conditions have been granted to Group employees and Company officers. As these are plans under which the final vesting of performance shares is dependent on the realisation of stock market performance and/or financial criteria, the fair value of the VINCI performance shares has been estimated, at grant date, taking account of the likelihood of the financial criteria being met, as recommended by IFRS 2.

The number of performance shares measured at fair value in the calculation of the IFRS 2 expense is adjusted at each balance sheet date for the impact of the change in the likelihood of the financial criteria being met since the share grant date.

3.5.3 GROUP SAVINGS SCHEMES

Under the Group Savings Scheme, VINCI issues new shares in France reserved for its employees three times a year with a subscription price that includes a discount of 10% against the average stock market price of the VINCI share during the last 20 business days preceding the authorisation by the Board of Directors. This discount is considered as a benefit granted to the employees; its fair value is determined using a binomial valuation model, of the *Monte Carlo* type, at the date on which the Board of Directors announces a plan to the employees. As certain restrictions apply to the shares acquired by VINCI Construction Grands Projets employees under these plans regarding their sale or transfer, the fair value of the benefit to the employee takes account of the fact that the shares acquired cannot be freely disposed of for five years, other than in certain specific circumstances.

The Group recognises the benefits granted in this way to its employees as an expense over the vesting period, with a corresponding increase in consolidated equity.

3.6 COST OF NET FINANCIAL DEBT

The cost of net financial debt comprises:
- the cost of gross financial debt, which includes the interest expense calculated at the effective interest rate, gains and losses on hedges of gross debt, and net changes in the fair value of derivatives related to debt, except for those taken to equity;
- the line item *Financial income from cash management investments*, which comprises the return on investments of cash and cash equivalents (interest income, dividends from UCITS, disposal gains and losses, etc.), the impacts of interest-rate hedges associated with these investments and changes in their fair value.

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3.7 OTHER FINANCIAL INCOME AND EXPENSES

Other financial income and expenses mainly comprises foreign exchange gains and losses, the effects of discounting to present value and dividends received from unconsolidated companies.

3.8 INCOME TAX

Income tax is computed in accordance with the tax legislation in force in the countries where the income is taxable.

In accordance with IAS 12, deferred tax is recognised on the temporary differences between the carrying amount and the tax base of assets and liabilities. It is calculated using the latest tax rates enacted or substantially enacted at the date of closing the accounts. The effects of a change in the tax rate from one period to another are recognised in the income statement in the period in which the change occurs.

Deferred tax relating to items recognised directly under equity is also recognised under equity.

Net deferred tax is determined on the basis of the tax position of each entity or group of entities included in the tax group under consideration and is shown under assets or liabilities for its net amount per taxable entity.

Deferred tax is reviewed at each balance sheet date to take account in particular of the impact of changes in tax law and the prospects for recovery. Deferred tax assets are only recognised if their recovery is probable.

Deferred tax assets and liabilities are not discounted.

3.9 EARNINGS PER SHARE

Earnings per share is the net profit for the period after non-controlling interests, divided by the weighted average number of shares outstanding during the period. The Group has issued no equity instruments that could have a dilutive effect.

3.10 INTANGIBLE ASSETS

Intangible assets are mainly software. Purchased intangible assets are measured at cost less cumulative amortisation and impairment losses and are amortised on a straight-line basis over their useful life.

3.11 GOODWILL

Goodwill is the excess of the cost of a business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities at the date(s) of acquisition, recognised on first consolidation.

Goodwill in fully consolidated subsidiaries is recognised under *Goodwill* in consolidated assets. Goodwill relating to equity-accounted companies is included in the line-item *Investments in equity-accounted companies*.

Goodwill is not amortised but is tested for impairment at least annually and whenever there is an indication that it may be impaired. Whenever goodwill is impaired, the difference between its carrying amount and its recoverable amount is recognised in operating income in the period and is not reversible.

Negative goodwill is recognised directly in profit or loss in the year of acquisition.

Following adoption of IFRS 3 Revised, an option is available to measure non-controlling interests at acquisition date either at fair value (the full goodwill method), or for the portion of the net assets acquired that they represent (the partial goodwill method). The choice can be made for each business combination.

3.12 PROPERTY, PLANT AND EQUIPMENT

Items of property, plant and equipment are recorded at their acquisition or production cost less cumulative depreciation and any impairment losses recognised. They are not revalued. Depreciation is generally calculated on a straight-line basis over the period of use of the asset. Accelerated depreciation may however be used when it appears more appropriate to the conditions under which the asset is used. For certain complex assets, in particular buildings and constructions, each component of the asset is recognised separately and depreciated over its own period of use.

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The main periods of use of the various categories of items of property, plant and equipment are as follows:

Constructions :	
- Structure	**between 20 and 40 years**
- General technical installations	**between 5 and 20 years**
Site equipment and technical installations	**between 3 and 10 years**
Vehicles	**between 3 and 5 years**
Fixtures and fittings	**between 8 and 10 years**
Office furniture and equipment	**between 3 and 10 years**

Depreciation commences as from the date when the asset is ready to enter service.

3.13 FINANCE LEASES

Assets acquired under finance leases are recognised as non-current assets, whenever the effect of the lease is to transfer to the Group substantially all the risks and rewards incidental to ownership of these assets, with recognition of a corresponding financial liability. Assets held under finance leases are depreciated over their period of use.

3.14 IMPAIRMENT OF NON-FINANCIAL NON-CURRENT ASSETS

Under certain circumstances, impairment tests must be performed on intangible and tangible fixed assets. For intangible assets with an indefinite useful life, which is the case of goodwill, a test is performed at least annually and whenever there is an indication of a loss of value. For other fixed assets, a test is performed only when there is an indication of a loss of value.

3.15 INVESTMENTS IN EQUITY-ACCOUNTED COMPAGNIES

The Group's equity-accounted investments are initially recognised at cost of acquisition, including any goodwill arising. Their carrying amount is then increased or decreased to recognise the Group's share of the entity's profits or losses after the date of acquisition. Whenever losses are greater than the value of the Group's net investment in the equity-accounted company, these losses are not recognised unless the Group has entered into a commitment to recapitalise the company or has made payments on its behalf.

If there is an indication that an investment may be impaired, its recoverable value is tested as described in Note I.3.14 *Impairment of non-financial non-current assets*. Impairment losses shown by these impairment tests are recognised as a deduction from the carrying amount of the corresponding investments.

In order to present operational performance in the best way possible, the profit or loss of equity-accounted companies is reported on a specific line, between the lines *Operating income from ordinary activities* and *Operating income*.

These shareholdings are those in companies in which the Group has significant influence and jointly controlled entities.

3.16 OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets comprise available-for-sale securities, the part at more than one year of loans and receivables measured at their amortised cost and the fair value of non-current derivative financial instruments (assets).

• AVAILABLE-FOR-SALE SECURITIES

Available-for-sale securities comprises the Group's shareholdings in unconsolidated companies.

At the balance sheet date, available-for-sale securities are measured at their fair value. The fair value of shares in listed companies is determined on the basis of the stock market price at that balance sheet date.

For unlisted securities, if their fair value cannot be determined reliably, the securities continue to be measured at their original cost, *i.e.* their cost of acquisition plus transaction costs.

Changes in fair value are recognised directly in equity and are only transferred to profit or loss when the securities in question are sold.

Whenever an impairment test leads to recognition of an unrealised loss as against the historical cost and whenever this is considered to be a material and/or durable loss of value, this loss is recognised in profit or loss and may not be reversed.

• LOANS AND RECEIVABLES AT AMORTISED COST

Loans and receivables at amortised cost mainly comprises receivables connected with shareholdings, current account advances to associates or unconsolidated entities, guarantee deposits, collateralised loans and receivables and other loans and receivables.

When first recognised, these loans and receivables are recognised at their fair value plus the directly attributable transaction costs. At each balance sheet date, these assets are measured at their amortised cost using the effective interest method.

If there is an objective indication of impairment of these assets, an impairment loss is recognised. The impairment loss corresponding to the difference between the carrying amount and the recoverable amount (*i.e.* the present value of the expected cash flows discounted using the original effective interest rate) is recognised in profit or loss. This loss may be reversed if the recoverable value increases subsequently and if this favourable change can objectively be linked to an event arising after recognition of the impairment loss.

3.17 INVENTORIES AND WORK IN PROGRESS

Inventories and work in progress are recognised at their cost of acquisition or of production by the entity. At each balance sheet date, they are measured at the lower of cost and net realisable value.

3.18 TRADE AND OTHER OPERATING ASSETS

Trade and other operating receivables are current financial assets and are initially measured at their fair value, which is generally their nominal value, unless the effect of discounting is material. At each balance sheet date, receivables are measured at their amortised cost less any impairment losses taking account of any likelihood of non-recovery. An estimate of the likelihood of non-recovery is made at each balance sheet date in the light of payment delays and guarantees obtained and an impairment loss is recognised if necessary.

3.19 CASH MANAGEMENT FINANCIAL ASSETS

Cash management financial assets comprises investments of cash surpluses, monetary and bond securities, and units in UCITS, made with a short-term management objective, that do not satisfy the IAS 7 criteria for recognition as cash.

As the Group adopts fair value as being the best reflection of the performance of these assets, they are measured and recognised at their fair value, and changes in fair value are recognised through profit or loss.

Purchases and sales of cash management financial assets are recognised at their transaction date.

3.20 CASH AND CASH EQUIVALENTS

This item comprises current accounts at banks and cash equivalents corresponding to short-term, liquid investments subject to negligible risks of fluctuations of value. Cash equivalents comprise in particular monetary UCITS and certificates of deposit with maturities not exceeding three months at the origin. Bank overdrafts are not included in cash and are reported under current financial liabilities.

The Group measures at fair value through profit or loss.

3.21 NON-CURRENT PROVISIONS

Non-current provisions comprise provisions for retirement benefit obligations and other non-current provisions.

• PROVISIONS FOR RETIREMENT BENEFIT OBLIGATIONS

Provisions are taken in the balance sheet for obligations connected from defined benefit retirement plans, for both current and former employees (people with deferred rights or who have retired). These provisions are determined using the projected unit credit method on the basis of actuarial assessments made at each annual balance sheet date. The actuarial assumptions used to determine the obligations vary depending on the economic conditions of the country where the plan is operated. Each plan's obligations are recognised separately.

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For defined benefit plans financed under external management arrangements (*i.e.* pension funds or insurance policies), the surplus or shortfall of the fair value of the assets compared with the present value of the obligations is recognised as an asset or liability in the balance sheet, after deduction of cumulative actuarial gains and losses and any past service cost not yet recognised in profit or loss. However, surplus assets are only recognised in the balance sheet if they represent a future economic benefit for the Group.

Past service cost corresponds to the benefits granted either when an entity adopts a new defined benefit plan or when it changes the level of benefit of an existing plan. Whenever new rights to benefit are acquired as from the adoption of the new plan or the change of an existing plan, the past service cost is recognised immediately in profit or loss.

Conversely, whenever adoption of a new plan or a change in a plan gives rise to the acquisition of rights after its implementation date, past service costs are recognised as an expense on a straight-line basis over the average period remaining until the corresponding rights are fully vested.

Actuarial gains and losses result from changes in actuarial assumptions and from experience adjustments (the effects of differences between the actuarial assumptions adopted and what has actually occurred).

Cumulative unrecognised actuarial gains and losses that exceed 10% of the higher of the present value of the defined benefit obligation and the fair value of the plan assets are recognised in profit or loss for the excess portion on a straight-line basis over the average expected remaining working lives of the employees in that plan.

For defined benefit plans, the expense recognised under operating income comprises the current service cost, the amortisation of past service cost, the amortisation of any actuarial gains and losses and the effects of any reduction or winding up of the plan. The interest cost (cost of discounting) and the expected yield on plan assets are recognised under *Other financial income and expense*.

Commitments relating to lump-sum payments on retirement for manual construction workers, which are met by contributions to an outside multi-employer insurance scheme (CNPO), are considered as being under defined contribution plans and are recognised as an expense as and when contributions are payable.

That part of provisions for retirement benefit obligations that matures within less than one year is shown under current liabilities.

• OTHER NON-CURRENT PROVISIONS

These comprise provisions for other employee benefits, measured in accordance with IAS 19, and those provisions that are not directly linked to the operating cycle, measured in accordance with IAS 37.

These are recognised whenever, at the balance sheet date, the Group has a legal or constructive present obligation towards third parties arising from a past event, whenever it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation and whenever a reliable estimate can be made of the amount of the obligation.

These provisions are measured at their present value, corresponding to the best estimate of the outflow of resources required to settle the obligation.

Provision expenses and reversals result from the change in these assessments at each balance sheet date.

The part at less than one year of other employee benefits is reported under *Other current liabilities*. The part at less than one year of provisions not directly linked to the operating cycle is reported under *Current provisions*.

3.22 CURRENT PROVISIONS

Current provisions are provisions directly linked to each business line's own operating cycle, whatever the expected time of settlement of the obligation. They are recognised in accordance with IAS 37 (see above). They also include the part at less than one year of provisions not directly linked to the operating cycle.

Provisions for after-sales service cover Group entities' commitments under statutory warranties relating to completed projects, in particular ten-year warranties on building projects in France. They are estimated statistically on the basis of expenses incurred in previous years or individually on the basis of specifically identified events.

Provisions for losses on completion of contracts and construction project liabilities are made mainly when end-of-contract projections, based on the most likely estimated outcome, indicate a loss, and when work needs to be carried out in respect of completed projects under completion warranties.

Provisions for disputes connected with operations mainly relate to disputes with customers, subcontractors, joint contractors or suppliers. Restructuring provisions include the cost of plans and measures for which there is a commitment whenever these have been announced before the period end.

Provisions for other current liabilities mainly comprise provisions for late-delivery penalties, for individual dismissals and for other risks related to operations.

3.23 FINANCIAL DEBT (CURRENT AND NON-CURRENT)

Financial debt comprises bond loans, other loans and the fair value of derivative financial instruments (liabilities). These are recognised at amortised cost using the effective interest method. The effective interest rate is determined after taking account of redemption premiums and issuance expenses. Under this method, the interest expense is measured actuarially and reported under the *Cost of gross financial debt*. The part at less than one year of borrowings is included in *Current borrowings*.

3.24 FAIR VALUE OF DERIVATIVE FINANCIAL INSTRUMENTS (ASSETS AND LIABILITIES)

The Group uses derivative financial instruments to hedge its exposure to market risks (interest rates, exchange rates and shares). In accordance with IAS 39, all derivatives should be shown in the balance sheet at their fair value. If a derivative is not designated as a hedge, the change in its fair value must be recognised through the income statement. If a derivative is designated as a hedge, recognising it as a hedging instrument allows changes in the value of the derivative to be cancelled out in the income statement.

Derivative instruments may be designated as hedging instruments in three cases:
- a **fair value hedge** enables the exposure to the risk of a change in the fair value of a recognised asset or liability or an unrecognised firm commitment, attributable to changes in financial variables (interest rates, exchange rates, equity prices, raw material prices, etc.) to be hedged;
- a **cash flow hedge** enables exposure to variability in cash flows associated with an recognised asset or liability or a highly probable forecast transaction to be hedged;
- a **hedge of a net investment denominated in a foreign currency** hedges the exchange rate risk relating to the net investment in a consolidated foreign subsidiary.

Most of the interest rate and foreign currency derivatives used by VINCI Construction Grands Projets are considered as trading instruments, directly allocated to the contract in question.

3.25 OFF-BALANCE SHEET COMMITMENTS

The Group's off-balance sheet commitments are monitored through specific annual and six-monthly reports.

Off-balance sheet commitments are reported in the appropriate Notes, as dictated by their nature.

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Notes to the consolidated IFRS financial statements
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II NOTES TO THE BALANCE SHEET AND INCOME STATEMENT

1. NET INTANGIBLE ASSETS

in € thousands	31.12.2010	INCREASE	DECREASE	CURRENCY TRANSLATION DIFFERENCES AND OTHER CHANGES	31.12.2011
Gross	9,032	298	(336)	27	9,021
Amortisation and provisions	(8,885)	(156)	330	17	(8,694)
TOTAL NET	**147**	**142**	**(6)**	**44**	**327**

There has been no acquisition or reversal of amortisation through a business combination in the period. No impairment losses have been recognised or reversed at 31 December 2011.

2. PROPERTY, PLANT AND EQUIPMENT

2.1 CHANGE IN THE PERIOD

in € thousands	31.12.2010	INCREASE	DECREASE	CURRENCY TRANSLATION DIFFERENCES AND OTHER CHANGES	31.12.2011
Gross	123,530	22,245	(24,768)	(328)	120,679
Amortisation and provisions	(75,141)	(22,078)	20,370	783	(76,066)
TOTAL NET	**48,389**	**167**	**(4,398)**	**455**	**44,613**

There has been no acquisition or reversal of depreciation through a business combination in the period. No impairment losses have been recognised or reversed at 31 December 2011.

2.2 BREAKDOWN BY TYPE OF ASSET

in € thousands	GROSS	DEPRECIATION	NET
Lands	734	-	734
Buildings	2,108	(876)	1,232
Plant and equipment	90,118	(59,819)	30,299
Vehicles	7,447	(5,296)	2,151
Office furniture, computer equipment, fixtures and fittings	12,335	(10,075)	2,260
Non-current assets under construction	7,937	-	7,937
TOTAL	**120,679**	**(76,066)**	**44,613**

2.3 INVESTMENTS IN THE PERIOD

in € thousands	31.12.2011
Lands	-
Buildings	929
Plant and equipment	11,907
Vehicles	478
Office furniture, computer equipment, fixtures and fittings	1,291
Non-current assets under construction	7,640
TOTAL INVESTMENTS	**22,245**

3. INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES

3.1 CHANGE IN THE PERIOD

in € thousands	31.12.2010	31.12.2011
Value of shares at start of the period	**6,827**	**13,257**
Share capital increases of equity-accounted companies	-	-
Group share of profit, (loss) for the period	9,794	5,964
Dividends paid	(3,906)	(5,116)
Changes in consolidation scope, foreign currency translation differences and other	542	314
TOTAL NET	**13,257**	**14,419**

3.2 FINANCIAL INFORMATION ON EQUITY-ACCOUNTED COMPANIES

Investments in equity-accounted companies break down as follows:

	% HELD	31.12.2010	31.12.2011
QDVC	**49.00**	**13,257**	**14,419**

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The main financial data on equity-accounted companies are as follows (Group share):

in € thousands	31.12.2010	31.12.2011
Income statement		
Revenue	143,432	110,130
Operating income	9,212	6,118
Net income	9,794	5,964
Balance sheet		
Equity	13,257	14,419
Current assets	59,284	80,271
Non-current assets	5,547	6,190
Current liabilities	51,574	72,042
Non-current liabilities	-	-

4. OTHER NON-CURRENT FINANCIAL ASSETS

in € thousands	GROSS	PROVISIONS	NET
Investments in subsidiaries	4,480	(2,033)	2,447
Other available-for-sale financial assets	373	(213)	160
Other non-current financial assets	12,417	(1,943)	10,474
Equity value of de-consolidated companies	(755)	-	(755)
Discounting of non-current financial assets	(257)	-	(257)
TOTAL NET	**16,258**	**(4,189)**	**12,069**

There has been no acquisition or reversal of depreciation through a business combination in the period. No impairment losses have been recognised or reversed at 31 December 2011.

At 31 December 2011, the main unconsolidated companies were:

in € thousands	*% HELD*	*NET*
GTM Europe	*100.00*	*762*
Sitec	*99.68*	*275*
Société centrale de matériel	*99.99*	*152*

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5. CASH MANAGEMENT FINANCIAL ASSETS

Cash management financial assets break down as follows:

in € thousands	31.12.2010	31.12.2011
CASH MANAGEMENT FINANCIAL ASSETS	**379,028**	**410,161**
UCITS	84,198	123,143
Cash	10,174	13,882
CASH AND CASH EQUIVALENTS	**94,372**	**137,025**

Cash management financial assets comprise investments with parent companies, attracting interest at rates close to market rates, for €390,200 thousand.

6. WORKING CAPITAL REQUIREMENT/(SURPLUS)

in € thousands	31.12.2010	31.12.2011
Inventories and work in progress (net)	24,493	17,957
Trade receivables and related accounts	305,305	260,911
Other operating receivables	177,703	263,678
Other current assets	29,171	32,175
Current tax assets	1,102	1,411
Inventories and operating receivables (I)	**537,774**	**576,132**
Trade payables	240,948	259,876
Other current payables	479,351	563,065
Current tax liabilities	2,049	2,090
Trade and other operating payables (II)	**722,348**	**825,031**
WORKING CAPITAL REQUIREMENT (I - II)	**(184,574)**	**(248,899)**
Current provisions	*(188,356)*	*(200,155)*
WORKING CAPITAL REQUIREMENT (after current provisions)	**(372,930)**	**(449,054)**

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Notes to the consolidated IFRS financial statements
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7. PROVISIONS FOR EMPLOYEE BENEFITS

RETIREMENT BENEFIT OBLIGATIONS

The Group's retirement benefit obligations covered by provisions relate mainly to France. Provisions are calculated applying the following assumptions:

	31.12.2010	31.12.2011
Discount rate	4.35%	5.00%
Inflation rate	1.9%	2.2%
Rate of salary increases	2.9%	3.2%
Average remaining working life of employees	10 - 15 ans	10 - 15 ans

Retirement benefit commitments relate to contractual lump sums on retirement. They are calculated using the prospective actuarial method and are fully provided for in the balance sheet.

in € thousands	
TOTAL OBLIGATIONS COVERED BY PROVISIONS	**9,611**
Of which, due within one year 1,075	

RECONCILIATION OF OBLIGATIONS AND PROVISIONS IN THE BALANCE SHEET

in € thousands	31.12.2011
Present value of retirement benefit obligations	15,769
Fair value of plan assets	-
Provisions recognised in balance sheet	9,611
Items not recognised in balance sheet:	
- actuarial gains and losses	4,142
- past service cost	2,016

EXPENSES RECOGNISED IN RESPECT OF DEFINED CONTRIBUTION PLANS

VINCI Construction Grands Projets contributes to basic State pension plans, for which the expense recognised is the amount of the contributions called by the State bodies. Basic State pension plans are considered as being defined contribution plans. Depending on the country, the proportion of the contributions paid that relates to pensions may not be clearly identifiable.

The amount of retirement benefit contributions taken as an expense in the period in respect of defined contribution plans (excluding basic State plans) was €6.6 million at 31 December 2011 (€6.8 million at 31 December 2010). This includes the contributions paid to the external multi-employer fund (CNPO) in respect of obligations in respect of lump sums paid on retirement to building workers.

OTHER EMPLOYEE BENEFITS

in € thousands	
TOTAL OBLIGATIONS COVERED BY PROVISIONS	**1,028**
Of which, due within one year 92	

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Notes to the consolidated IFRS financial statements
at 31 December 2011

8. OTHER PROVISIONS

in € thousands	31.12.2010	PROVISIONS EXPENSE	REVERSALS	REVERSALS OF UNUSED PROVISIONS	CURRENCY TRANSLATION DIFFERENCES AND OTHER CHANGES	31.12.2011
Warranties given to customers	33,019	4,383	(2,846)	(5,845)	(24)	28,687
Site restoration	1,671	22	(983)	(322)	(130)	258
Losses on completion	91,789	23,806	(21,382)	-	(183)	94,030
Disputes	20,382	20,778	(4,391)	(2,319)	1,257	35,707
Restructuring costs	5,210	1,408	(3,724)	(308)	(7)	2,579
Other current provisions	1,287	8	(290)	-	(245)	760
Discounting of current provisions	(201)	-	-	-	-	(201)
Reclassification of the part at less than one year of non-current provisions	35,199	-	-	-	3,136	38,335
Current provisions	**188,356**	**50,405**	**(33,616)**	**(8,794)**	**3,804**	**200,155**
Financial risks	790	135	(3)	-	1,124	2,046
Other non-current provisions	44,781	14,753	(8,709)	(2,947)	(123)	47,755
Discounting of non-current provisions	(874)	-	-	-	-	(874)
Reclassification of the part at less than one year of non-current provisions	(35,199)	-	-	-	(3,136)	(38,335)
Non-current provisions	**9,498**	**14,888**	**(8,712)**	**(2,947)**	**(2,135)**	**10,592**
TOTAL	**197,854**	**65,293**	**(42,328)**	**(11,741)**	**1,669**	**210,747**

The types of provision are defined in Notes I.3.21 *Non-current provisions* and I.3.22 *Current provisions*.

9. FINANCIAL SURPLUS/(DEBT)

At the balance sheet date the Group had a net cash surplus of €531,531 thousand, breaking down as follows:

in € thousands	31.12.2010	31.12.2011
Cash management current account liabilities	(2,430)	(171)
Other current financial liabilities	(1,531)	(1,330)
Bank overdrafts	(19,108)	(14,154)
Current borrowings	**(23,069)**	**(15,655)**
GROSS DEBT	**(23,069)**	**(15,655)**
Cash management financial assets	379,028	410,161
Cash and cash equivalents	94,372	137,025
NET FINANCIAL SURPLUS	**450,331**	**531,531**

Debts guaranteed by collateral: none.

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Notes to the consolidated IFRS financial statements
at 31 December 2011

10. OTHER CURRENT PAYABLES

Other current payables represent a working capital resource of €563,065 thousand and break down as follows:

in € thousands	31.12.2010	31.12.2011
Trade receivables - Advances received on work	142,438	225,273
Deferred income	78,800	119,053
Operating current accounts	92,954	67,570
Tax, employment and social benefit liabilities	24,127	37,629
Other current liabilities	141,032	113,540
OTHER CURRENT PAYABLES	**479,351**	**563,065**

11. REVENUE INCLUDING JOINTLY CONTROLLED ENTITIES

The effect of VINCI's election for the method available under IAS 31 *Interests in Joint Ventures* consisting in accounting for jointly controlled entities using the equity method is that the true volume of business handled by VINCI Construction Grands Projets is not reflected.

in € millions	31.12.2011	31.12.2010
CONSOLIDATED REVENUE	**514.6**	**558.7**
Revenue of jointly controlled entities	110.1	143.4
REVENUE INCLUDING JOINTLY CONTROLLED ENTITIES	**624.7**	**702.1**

12. REVENUE

The change in revenue takes account of changes in consolidation scope and foreign exchange rates and breaks down as follows:

in € millions	31.12.2011	31.12.2010
Revenue for the period of which:	**514.6**	**558.7**
- impact of changes of consolidation scope	-	-
- impact of foreign exchange fluctuations	-	(4.2)
REVENUE AT CONSTANT CONSOLIDATION SCOPE AND EXCHANGE RATES	**514.6**	**554.5**

On a comparable scope and exchange rate basis, revenue was down 7.2% from the previous year.

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Notes to the consolidated IFRS financial statements
at 31 December 2011

REVENUE BY GEOGRAPHICAL MARKET *(by destination)*

in € millions	31.12.2011	31.12.2010
France	29.7	35.3
Europe	265.6	309.3
The Americas	69.6	70.1
Africa	95.1	55.0
Asia	17.4	11.9
Middle-East	36.1	76.8
Other	1.1	0.3
TOTAL	**514.6**	**558.7**

13. OPERATING INCOME FROM ORDINARY ACTIVITIES

in € thousands	31.12.2011	31.12.2010
Revenue	514,566	558,719
Revenue from ancillary activities	1,153	4,534
Revenue and other operating income	**515,719**	**563,253**
Purchases consumed	(156,744)	(229,564)
Subcontracting and other external expenses	(114,023)	(137,100)
Employment costs	(173,537)	(178,092)
Taxes and levies	(7,165)	(8,589)
Other operating income and expenses	(1,217)	(472)
Depreciation and amortisation	(21,083)	(18,947)
Net provision expenses:		
- Impairment of property, plant and equipment, and net intangible assets	1,127	(4)
- Impairment of assets	(10,129)	7,563
- Retirement and other benefit obligations	288	638
- Current and non-current provisions	(10,331)	18,750
OPERATING INCOME FROM ORDINARY ACTIVITIES	**22,905**	**17,436**

Revenue from ancillary activities amounted to €1.2 million at 31 December 2011 and mainly related to sales of study work and equipment, and rental income.

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Notes to the consolidated IFRS financial statements
at 31 December 2011

14. SHARE-BASED PAYMENTS

The expense relating to employee benefits has been assessed at €2.9 million before tax. It comprises Group Savings Plan share option plans and performance share plans.

14.1 GROUP SAVINGS SCHEMES

VINCI's Board of Directors defines the conditions for subscribing to the Group Savings Scheme in accordance with the authorisations granted to it by the Shareholders' General Meeting.

For France, VINCI issues new shares reserved for employees three times a year at a subscription price that includes a discount of 10% against the average stock market price over 20 trading days. Subscribers benefit from an employer's contribution with an annual maximum of €3,500 per person. The benefits granted in this way to employees of the Group are recognised in profit or loss and are valued in accordance with IFRS 2 on the basis of the following assumptions:
- length of subscription period: 4 months;
- length of period during which funds are frozen: 5 years from the end of the subscription period.

14.2 SHARE SUBSCRIPTION AND PURCHASE OPTIONS

On 2 May 2011, VINCI's Board of Directors set up a new share option plan with effect from 2 May 2011.

The fair values of the options have been calculated at their respective grant dates by an external actuary using a binomial valuation model of the "*Monte Carlo*" type.

The validity period of the options included in the model is the contractual validity period adjusted to take account of behavioural assumptions (employee turnover, early exercise) based on past observations.

The main assumptions used to determine the fair values of the options in question, in accordance with IFRS 2, were:

Plan	02.05.11	09.07.10	15.09.09
Volatility (*)	26.93%	34.22%	32.91%
Expected return on share	8.29%	7.24%	8.01%
Risk-free rate of return (**)	2.62%	1.59%	2.38%
Dividend distribution rate hoped-for (***)	4.05%	4.99%	4.21%
FAIR VALUE OF THE OPTION (in euros)	**7.66**	**4.43**	**5.65**

(*) Volatility estimated using a multi-criteria approach.

(**) Rate at five years of French government bonds.

(***) Average return expected by financial analysts over the three years following the grant date adjusted by a theoretical annual growth rate beyond that period.

14.3 PERFORMANCE SHARES

The fair value of the performance shares has been estimated by an external actuary. The main assumptions used for these assessments are:

	2011 PLAN	2010 PLAN	2009 PLAN
Price of VINCI share on date plan was announced *(in euros)*	44.870	35.440	37.425
Fair value of performance share at grant date *(in euros)*	36.90	28.30	31.17
Fair value of share price at grant date *(in percentage)*	82.25%	79.85%	83.29%
Original maturity *(in years)* - vesting period	2 years	2 years	2 years
Risk-free interest rate	1.81%	0.97%	1.75%

These plans provide that the shares will only be definitively allocated after a two-year vesting period subject to VINCI's stock market and financial performance criteria being met. In accordance with IFRS 2, the number of performance shares measured at fair value in the calculation of the IFRS 2 expense is adjusted at each balance sheet date for the impact of the change since the grant date of the shares in the likelihood of the financial criteria being met.

15. OTHER FINANCIAL INCOME AND EXPENSES

in € thousands	31.12.2011	31.12.2010
Foreign exchange gains and losses	(2,281)	993
Effect of discounting to present value	(705)	(803)
Other financial income and expense	(224)	753
OTHER FINANCIAL INCOME AND EXPENSE, NET	**(3,210)**	**943**

16. INCOME TAX EXPENSE

16.1 BREAKDOWN OF NET TAX EXPENSE

in € thousands	31.12.2011	31.12.2010
Current tax	(5,212)	(5,631)
Deferred tax	1,719	3,540
TOTAL	**(3,493)**	**(2,091)**

16.2 EFFECTIVE TAX RATE

in € thousands	
Taxable income	**21,169**
Theoretical tax rate	34.43%
EXPECTED TAX CHARGE	**(7,288)**
Tax rate differences (foreign countries)	19,695
Creation (use) of carryforward tax losses not having given rise to deferred tax	(1,458)
Fixed-sum and other additional taxes	(1,647)
Permanent differences and miscellaneous	(12,795)
TAX CHARGE RECOGNISED	**(3,493)**
Effective tax rate	16.50%

16.3 ANALYSIS OF DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities arise from temporary differences and break down as follows at the balance sheet date:

in € thousands	Assets	Liabilities	Net
	9,247	1,081	8,166

16.4 UNRECOGNISED DEFERRED TAX ASSETS

Deferred tax assets unrecognised because their recovery is uncertain amounted to €16.4 million at 31 December 2011.

17. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are:
- remuneration and similar benefits paid to members of the governing and management bodies;
- transactions with companies in which VINCI Construction Grands Projets exercises significant influence or joint control.

These transactions are conducted on the basis of market prices.

17.1 REMUNERATION OF MEMBERS OF THE MANAGEMENT COMMITTEE

The share falling to VINCI Construction Grands Projets of remuneration paid to the members of the Management Committee amounted to €2,963,021 in 2011.

17.2 OTHER

The information on equity-accounted companies is given in Note II.3.2. *Financial information on equity-accounted companies.*

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Notes to the consolidated IFRS financial statements
at 31 December 2011

18. FINANCIAL INFORMATION ON CONSTRUCTION CONTRACTS

Cost incurred plus recognised profits less recognised losses and intermediate invoicing is determined on a contract by contract basis. If this amount is positive it is shown on the line *Construction contracts in progress – assets*. If negative, it is shown on the line *Construction contracts in progress – liabilities*.

Advances are the amounts received before the corresponding work has been performed. Repayment terms depend on the terms of each individual contract.

The various items relating to construction contracts in progress at the balance sheet date are:

in € thousands	31.12.2011	31.12.2010
Construction contracts in progress - assets	55,039	45,655
Construction contracts in progress - liabilities	(154,304)	(126,059)
Construction contracts in progress	**(99,265)**	**(80,404)**
Costs incurred plus profits recognised, less losses recognised to date	1,964,948	1,613,049
Less invoices issued	(2,064,213)	(1,693,453)
Construction contracts in progress before advances received from customers	**(99,265)**	**(80,404)**
Advances received from customers	(121,146)	(109,033)
Construction contracts in progress, net	**(220,411)**	**(189,437)**

19. OFF-BALANCE SHEET COMMITMENTS

Off-balance sheet commitments break down as follows:

in € thousands	COMMITMENTS GIVEN	COMMITMENTS RECEIVED
Performance guarantees and performance bonds	441,717	70,998
Retention payments	55,066	6,217
Deferred payments to subcontractors	6,020	311
Balance sheet warranties given	12,165	-
Bid bonds	6,783	-
Tax and customs bonds	425	-
Other commitments	52,641	17,049
TOTAL	**574,817**	**94,575**

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Notes to the consolidated IFRS financial statements
at 31 December 2011

20. EMPLOYMENT COSTS AND NUMBERS EMPLOYED

Number of employees	31.12.2011	31.12.2010
Engineers and managers	904	990
Non-management	1,955	2,312
TOTAL	**2,859**	**3,302**

Employment costs for all companies in the Group amounted to €173,537 thousand.

EMPLOYEE TRAINING RIGHTS

The Act of 4 May 2004 gives employees of French businesses the right to a minimum of 20 hours of training a year, which can be carried forward and accumulated over a period of six years. Expenditure under this individual right to training is considered as an expense for the period and does not give rise to the recognition of a provision, other than in exceptional cases. The Group's employees had acquired rights to 41,000 hours of such training at 31 December 2011.

21. OTHER INFORMATION

DISPUTES AND ARBITRATION

King County (headquarters in Seattle) is in dispute with a consortium in which VINCI Construction Grands Projets has a 60% share in connection with the construction of a tunnel called Brightwater Central. As a result of geological difficulties encountered on the site, which resulted in delays and extra costs, the consortium sought application of the contract whereas King County considers that the construction consortium had defaulted on its obligations, which the consortium disputes.

The parties have launched a mediation procedure while the consortium has followed the contractual dispute resolution procedure. King County has however decided to take the case before the Seattle Court. The construction consortium is claiming initial compensation of approximately $100 million, while King County is claiming an amount of the order of $130 million from the consortium. In view of the current situation, the Group considers that this dispute will not have a material effect on its financial situation.

22. MAIN CONSOLIDATED COMPANIES AT 31 DECEMBER 2011

	COUNTRY	PERCENTAGE HOLDING
1. Parent		
VINCI Construction Grands Projets	France	100

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Notes to the consolidated IFRS financial statements
at 31 December 2011

	COUNTRY	PERCENTAGE HOLDING
2. Fully consolidated subsidiaries in the construction and civil engineering sector		
Campenon Saïgon Builders	Vietnam	100
Constructora VCGP Chile SA	Chile	100
Dumez Jaya SDN BHD	Malaisia	100
Hydroplus	France	100
Janin Atlas Inc.	Canada	100
OEA Grands Projets	Libya	65
S.C Grupo 3	Chile	100
Victoria Belinvest	Belgium	100
VINCI Construction Technology	France	100
Water Management International	France	100
3. Equity-accounted subsidiaries in the construction and civil engineering sector		
QDVC	Qatar	49
4. Percentage in subsidiaries active in construction and civil engineering		
CTM Chili	Chile	60
Socaso	France	67
Socatop	France	42
Socaly	France	24
5. Percentage in partnerships and economic interest groupings formed to carry out major projects		
Brightwater tunnels	USA	60
Cairo Metro, line 3	Egypt	29
Chernobyl containment shelter	Ukraine	50
Coentunnel	Netherlands	19
Crossrail	England	27
Doha Pumping Station	Qatar	30
Evacuation tunnel at Flamanville EPR	France	50
Hallandsås tunnels	Sweden	40
Lee Tunnel	England	30
Liefkenshoek rail link	Belgium	25
M1 Motorway	England	33
Maliakos - Kleidi motorway	Greece	11
Moscow - St Petersburg motorway	Russia	44
Patras - Corinth motorway	Greece	27
South Europe Atlantic high-speed railway line (SEA).	France	10
Soyuz launch pad and ground infrastructure	French Guyana	80

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Report of the Statutory Auditors on the Consolidated Financial Statements at 31 December 2011

To the Sole Shareholder,

In accordance with our appointment as Statutory Auditors by your Shareholders' General Meeting, we hereby report to you for the year ended 31 December 2011 on:
- the audit of the accompanying consolidated financial statements of VINCI Construction Grands Projets S.A.S;
- the justification of our assessments;
- the specific verification required by law.

Your Chairman is responsible for preparation of the consolidated financial statements. Our role is to express an opinion on these financial statements, based on our audit.

1. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit in such a way as to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit consists in examining, by sampling or other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements. It also consists in assessing the accounting principles used, significant estimates made and the overall presentation of the financial statements. We believe that the information that we have collected provides a sufficient and appropriate basis for our opinion.

In our opinion, the consolidated financial statements for the period have been correctly prepared and give a true and fair view of the financial position, the assets and liabilities and the results of the operations of the group formed by the persons and entities included in the consolidation, in accordance with the International Financial Reporting Standards as endorsed by the European Union.

2. JUSTIFICATION OF OUR ASSESSMENTS

As required by Article L.823-9 of the French Commercial Code relating to the justification of our assessments, we inform you of the following:

As stated in Note I.3.1, the VINCI Construction Grands Projets group uses estimates prepared on the basis available at the time of preparing its consolidated financial statements, in a context of financial crisis in the Eurozone, where the medium-term outlook for business is difficult to assess due to the impacts on financial market volatility, access to financing and economic growth.

These estimates relate in particular to construction contracts: the VINCI Construction Grands Projets Group recognises income from its long-term contracts using the percentage of completion method on the basis of the best available estimates of the final outcome of contracts, as stated in Note I.3.1.1. We have assessed the assumptions used and reviewed your Company's calculations.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole and have therefore contributed to the formation of our opinion, given in the first part of this report.

3. SPECIFIC VERIFICATION

We have also verified, in accordance with the professional standards applicable in France and as required by law, the information contained in the Group Directors' Report.
We have no comments to make as to its fair presentation and its consistency with the consolidated financial statements.

Paris La Défense and Neuilly-sur-Seine, 15 February 2012
The Statutory Auditors

KPMG AUDIT A Department of KPMG S.A. Philippe BOURHIS	DELOITTE & ASSOCIES Marc de VILLARTAY

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VINCI CONSTRUCTION | GRANDS PROJETS

5, cours Ferdinand-de-Lesseps – F-92851 Rueil-Malmaison cedex
tel.: (+33) 1 47 16 47 00 – fax: (+33) 1 47 16 33 60
www.vinci-construction-projects.com

A2. Financially Responsible Letter

With regards to the East End Crossing RFP – Exhibit C, Section 2.0.3.b:

Financially Responsible Party Letter of Support

Not Applicable for VINCI Construction Grands Projets

A3. SEC Filings

With regards to the East End Crossing RFP – Exhibit C, Section 2.0.3.c:

SEC Filings

VINCI Construction Grands Projets, as a Joint Venture Member of the Design-Build Contractor, does not file reports with the Security and Exchange Commission, and therefore there are no Form 10K, Form 10Q, or Form 8-K required for this Proposal in accordance with the RFP.

A4. Credit Ratings

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VINCI CONSTRUCTION | GRANDS PROJETS

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Rueil-Malmaison, 26th October 2012

Dear Ms. Perez

Re: The East End Crossing (Louisville-Sothern Indiana Ohio River Bridges Project) (the "Project") - Request for Proposals, Exhibit C, Section 2.0 (3) (e)-(f)

We are writing in response to the Indiana Finance Authority's Request for Proposals ("RFP") in relation to the Project. We provide this letter in accordance with the requirements of Exhibit C, Part 2.0(3)(e) "Material Changes in Financial Condition" and Part 2.0(3)(f) "Off-Balance Sheet Liabilities" of the RFP. Enclosed in the Financial Proposal are the latest VINCI Construction Grands Projets's audited financial statements for the period that ended December 31st, 2011. We also enclosed VINCI Construction Grands Projets's interim financial statements which have been published and audited for the period that ended June 30th, 2012.

VINCI Construction Grands Projets is hereby pleased to confirm that:

i. No material change in the financial position of VINCI Construction Grands Projets has occurred since the submission of the SOQ;

ii. There is no off-balance sheet liabilities in excess of US$ 25 million dollars in the aggregate for VINCI Construction Grands Projets; and

iii. No public credit ratings exist for VINCI Construction Grands Projets.

Capitalized terms not otherwise defined herein shall have the meaning as set out in the RFP.

Yours sincerely,

Name: Philippe Masselot

Title: Chief Financial Officer

VINCI Construction Grands Projets
5, cours Ferdinand de Lesseps
F-92851 RUEIL-MALMAISON - France
Tel : +33 1 47 16 47 00
Fax : +33 1 47 16 33 60
Internet : http://www.vinci-construction-projects.com/projets

A5. Material Changes in Financial Condition

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VINCI CONSTRUCTION | GRANDS PROJETS

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Rueil-Malmaison, 26th October 2012

Dear Ms. Perez

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Yours sincerely,

Name: Philippe Masselot

Title: Chief Financial Officer

VINCI Construction Grands Projets
5, cours Ferdinand de Lesseps
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A6. Off-Balance Sheet Liabilities

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VINCI CONSTRUCTION | GRANDS PROJETS

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Rueil-Malmaison, 26th October 2012

Dear Ms. Perez

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VINCI Construction Grands Projets is hereby pleased to confirm that:

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ii. There is no off-balance sheet liabilities in excess of US$ 25 million dollars in the aggregate for VINCI Construction Grands Projets; and

iii. No public credit ratings exist for VINCI Construction Grands Projets.

Capitalized terms not otherwise defined herein shall have the meaning as set out in the RFP.

Yours sincerely,

Name: Philippe Masselot

Title: Chief Financial Officer

VINCI Construction Grands Projets
5, cours Ferdinand de Lesseps
F-92851 RUEIL-MALMAISON - France
Tel : +33 1 47 16 47 00
Fax : +33 1 47 16 33 60
Internet : http://www.vinci-construction-projects.com/projets

A. Updated Financial Information The Walsh Group - Financially Responsible Party

The Walsh Group

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October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Ladies and Gentlemen:

The Walsh Group, LTD is 100% owned by Matthew M. Walsh and Daniel J. Walsh. Matthew M. Walsh and Daniel J. Walsh and their respective immediate family members own 100% of Walsh Investors, LLC. The financial support for Walsh Investors, LLC equity participation in WVB East End Partners ("Proposer") will come from The Walsh Group, Ltd. Enclosed are the 12/31/2011 most recent audited financial statements for The Walsh Group and a company prepared balance sheet and income statement for the six month interim period ending 6/30/2012. Both statements were not available at the time of the RFQ submittal.

With respect to our financial statements disclosed to you, we certify to the best of our knowledge, information and belief that:

a. The preparation of our most recent financial statements disclosed to you have been prepared in accordance with generally accepted accounting principles and practices;
b. Such financial statements present fairly the information purported to be shown thereby;
c. No events have occurred which have a material adverse effect on our financial statements disclosed to you which shall be disclosed in order to keep those statements from being misleading;
d. No off-balance sheet financial obligations exist to date; and
e. No public credit ratings for The Walsh Group exist.

Should we, subsequent to this date, become aware of any events having a material adverse effect on our most recent financial statements disclosed to you in order to keep those statements from being misleading we shall immediately disclose these events to the Indiana Finance Authority.

Yours truly,

The Walsh Group, Ltd

Timothy S. Gerken
Chief Financial Officer

929 West Adams Street
Chicago, Illinois 60607
Phone: 312.563.5400
Fax: 312.563.5467
www.walshgroup.com

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The Walsh Group
SUBSIDIARIES Walsh Construction & Archer Western Contractors

October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Ladies and Gentlemen:

The Walsh Group, LTD is the parent company of Walsh Construction Company, the lead contractor for WVB East End Partners ("Proposer"). As part of the Walsh/Vinci design/build team for the East End Crossing project, Walsh Construction Company's financial capacity support will come from its parent company, The Walsh Group, Ltd. Enclosed are the 12/31/2011 most recent audited financial statement for The Walsh Group and a company prepared balance sheet and income statement for the six month interim period ending 6/30/2012. Both statements were not available at the time of the RFQ submittal.

With respect to our financial statements disclosed to you, we certify to the best of our knowledge, information and belief that:

a. The preparation of our most recent financial statements disclosed to you have been prepared in accordance with generally accepted accounting principles and practices;
b. Such financial statements present fairly the information purported to be shown thereby;
c. No events have occurred which have a material adverse effect on our financial statements disclosed to you which shall be disclosed in order to keep those statements from being misleading;
d. No off-balance sheet financial obligations exist to date; and
e. No public credit ratings for The Walsh Group exist.

Should we, subsequent to this date, become aware of any events having a material adverse effect on our most recent financial statements disclosed to you in order to keep those statements from being misleading we shall immediately disclose these events to the Indiana Finance Authority.

Yours truly,

The Walsh Group, Ltd

Timothy S. Gerken
Chief Financial Officer

929 West Adams Street, Chicago Illinois 60607
P: 312.563.5400 F: 312.563.5467 www.walshgroup.com
An Equal Opportunity Employer

A1. Financial Statements

With regards to the East End Crossing RFP – Exhibit C, Section 2.0:

Financial Statements

Attached are the following financial statements in accordance with the RFP

The Walsh Group, Ltd. and Subsidiaries

- Unaudited Financial Statement for six months ending June 30, 2012
- Audited Financial Statement for years ending December 31, 2011

The unaudited interim financial statements from The Walsh Group, Ltd. included in the Financial Proposal contain confidential financial information and have been redacted in full. The audited 2011 financial statements included in the Financial Proposal contain confidential financial information and have been redacted in part.

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The Walsh Group, Ltd. and Subsidiaries

Consolidated Financial Statements, Supplementary Information and Independent Auditor's Report

For the Year Ended December 31, 2011

Wolf & Company LLP

Certified Public Accountants

CONFIDENTIAL

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
The Walsh Group, Ltd. and Subsidiaries
Chicago, Illinois

We have audited the accompanying consolidated balance sheets of THE WALSH GROUP, LTD. AND SUBSIDIARIES as of December 31, 2011 and 2010, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Walsh Group, Ltd. and Subsidiaries as of December 31, 2011 and 2010, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Oakbrook Terrace, Illinois
April 13, 2012

Wolf & Company LLP

THE WALSH GROUP, LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

ASSETS

	December 31, 2011	December 31, 2010
Current assets:		
Cash and cash equivalents	$ 183,873,296	$ 656,491,200
Marketable securities	329,544,322	-
Short term investments-restricted	-	20,000,000
Deposits-restricted	1,500,000	1,500,000
Accounts receivable:		
Contracts (including retainage of $145,622,768 in 2011 and $141,909,924 in 2010)	552,923,673	494,347,243
Unbilled amounts on completed contracts	5,427,304	10,707,987
Other	5,766,561	5,503,968
Equity in construction joint ventures	151,145,996	131,054,606
Prepaid expenses	1,989,556	-
Notes receivable - affiliates	382,678	310,098
Materials inventory	1,361,240	1,361,240
Costs and estimated earnings in excess of billings on uncompleted contracts	47,274,926	29,181,982
Total current assets	1,281,189,552	1,350,458,324
Property and equipment, at cost:		
Machinery and equipment	19,246,906	24,027,291
Automobiles and trucks	49,461,836	48,375,039
Building and leasehold improvements	27,656,626	12,006,069
Computer software	3,891,893	-
Furniture and fixtures	1,715,075	4,930,518
Land	120,820	120,820
	102,093,156	89,459,737
Less accumulated depreciation and amortization	45,244,743	49,092,530
	56,848,413	40,367,207
Other assets:		
Cash surrender value of officers' life insurance	2,424,046	2,279,335
Goodwill	14,276,521	14,276,521
Due from affiliates	25,000	418,643
Deferred compensation plan investments	124,130,245	117,952,021
Notes receivable - affiliates, net of current portion	39,669,574	36,871,680
Deposits	-	28,346
	180,525,386	171,826,546
	$ 1,518,563,351	$ 1,562,652,077

LIABILITIES AND EQUITY

	December 31, 2011	December 31, 2010
Current liabilities:		
Accounts payable	$ 448,948,278	$ 339,989,355
Accrued expenses	49,594,650	68,697,807
Unrealized derivative loss on cash flow hedges	624,056	-
Billings in excess of costs and estimated earnings on uncompleted contracts	242,598,094	349,701,447
Total current liabilities	741,765,078	758,388,609
Unrealized derivative loss on cash flow hedges	1,064,768	-
Defined benefit pension plan obligation	31,125,078	5,384,827
Deferred compensation plan obligation	126,900,256	130,549,964
Total liabilities	900,855,180	894,323,400
Equity:		
The Walsh Group, Ltd. stockholders' equity:		
Common stock	2,000	2,000
Additional paid-in capital	100,000	100,000
Retained earnings	629,160,775	662,787,047
Accumulated other comprehensive loss	(30,258,968)	(5,384,827)
Total The Walsh Group, Ltd. stockholders' equity	599,003,807	657,504,220
Noncontrolling interest	18,704,364	10,824,457
Total equity	617,708,171	668,328,677
	$ 1,518,563,351	$ 1,562,652,077

The accompanying notes are an integral part of these consolidated financial statements.

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THE WALSH GROUP, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the Year Ended December 31	
	2011	2010
Contract revenues	$ 3,617,810,210	$ 3,462,275,741
Contract costs	3,309,942,380	3,093,233,512
Gross profit	307,867,830	369,042,229
General and administrative expenses	173,843,276	151,537,881
Operating profit	134,024,554	217,504,348
Other income (expense):		
[redacted]	9,007,549	7,147,764
	(18,000,000)	(35,952,399)
	1,965,023	780,477
	(7,027,428)	(28,024,158)
Income before taxes	126,997,126	189,480,190
Provision for income taxes	(2,454,691)	(3,321,493)
Net income	124,542,435	186,158,697

[redacted]

The accompanying notes are an integral part of these consolidated financial statements.

A2. Financially Responsible Letter

With regards to the East End Crossing RFP – Exhibit C, Section 2.0.3.b:

Financially Responsible Party Letter of Support

Not Applicable for The Walsh Group, Ltd.

A3. SEC Filings

With regards to the East End Crossing RFP – Exhibit C, Section 2.0.3.c:

SEC Filings

The Walsh Group, Ltd. and Subsidiaries does not file reports with the Security and Exchange Commission, and therefore there are no Form 10K, Form 10Q, or Form 8-K required for this Proposal in accordance with the RFP.

A4. Credit Ratings

The Walsh Group

CONFIDENTIAL

October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Ladies and Gentlemen:

The Walsh Group, LTD is 100% owned by Matthew M. Walsh and Daniel J. Walsh. Matthew M. Walsh and Daniel J. Walsh and their respective immediate family members own 100% of Walsh Investors, LLC. The financial support for Walsh Investors, LLC equity participation in WVB East End Partners ("Proposer") will come from The Walsh Group, Ltd. Enclosed are the 12/31/2011 most recent audited financial statements for The Walsh Group and a company prepared balance sheet and income statement for the six month interim period ending 6/30/2012. Both statements were not available at the time of the RFQ submittal.

With respect to our financial statements disclosed to you, we certify to the best of our knowledge, information and belief that:

a. The preparation of our most recent financial statements disclosed to you have been prepared in accordance with generally accepted accounting principles and practices;
b. Such financial statements present fairly the information purported to be shown thereby;
c. No events have occurred which have a material adverse effect on our financial statements disclosed to you which shall be disclosed in order to keep those statements from being misleading;
d. No off-balance sheet financial obligations exist to date; and
e. No public credit ratings for The Walsh Group exist.

Should we, subsequent to this date, become aware of any events having a material adverse effect on our most recent financial statements disclosed to you in order to keep those statements from being misleading we shall immediately disclose these events to the Indiana Finance Authority.

Yours truly,

The Walsh Group, Ltd

Timothy S. Gerken
Chief Financial Officer

929 West Adams Street
Chicago, Illinois 60607
Phone: 312.563.5400
Fax: 312.563.5467
www.walshgroup.com

An Equal Opportunity Employer
Subsidiaries: Walsh Construction
Archer Western Contractors

CONFIDENTIAL

The Walsh Group
SUBSIDIARIES Walsh Construction & Archer Western Contractors

October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Ladies and Gentlemen:

The Walsh Group, LTD is the parent company of Walsh Construction Company, the lead contractor for WVB East End Partners ("Proposer"). As part of the Walsh/Vinci design/build team for the East End Crossing project, Walsh Construction Company's financial capacity support will come from its parent company, The Walsh Group, Ltd. Enclosed are the 12/31/2011 most recent audited financial statement for The Walsh Group and a company prepared balance sheet and income statement for the six month interim period ending 6/30/2012. Both statements were not available at the time of the RFQ submittal.

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Should we, subsequent to this date, become aware of any events having a material adverse effect on our most recent financial statements disclosed to you in order to keep those statements from being misleading we shall immediately disclose these events to the Indiana Finance Authority.

Yours truly,

The Walsh Group, Ltd

Timothy S. Gerken
Chief Financial Officer

929 West Adams Street, Chicago Illinois 60607
P: 312.563.5400 F: 312.563.5467 www.walshgroup.com
An Equal Opportunity Employer

A5. Material Changes in Financial Condition

The Walsh Group

CONFIDENTIAL

October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Ladies and Gentlemen:

The Walsh Group, LTD is 100% owned by Matthew M. Walsh and Daniel J. Walsh. Matthew M. Walsh and Daniel J. Walsh and their respective immediate family members own 100% of Walsh Investors, LLC. The financial support for Walsh Investors, LLC equity participation in WVB East End Partners ("Proposer") will come from The Walsh Group, Ltd. Enclosed are the 12/31/2011 most recent audited financial statements for The Walsh Group and a company prepared balance sheet and income statement for the six month interim period ending 6/30/2012. Both statements were not available at the time of the RFQ submittal.

With respect to our financial statements disclosed to you, we certify to the best of our knowledge, information and belief that:

a. The preparation of our most recent financial statements disclosed to you have been prepared in accordance with generally accepted accounting principles and practices;
b. Such financial statements present fairly the information purported to be shown thereby;
c. No events have occurred which have a material adverse effect on our financial statements disclosed to you which shall be disclosed in order to keep those statements from being misleading;
d. No off-balance sheet financial obligations exist to date; and
e. No public credit ratings for The Walsh Group exist.

Should we, subsequent to this date, become aware of any events having a material adverse effect on our most recent financial statements disclosed to you in order to keep those statements from being misleading we shall immediately disclose these events to the Indiana Finance Authority.

Yours truly,

The Walsh Group, Ltd

Timothy S. Gerken
Chief Financial Officer

929 West Adams Street
Chicago, Illinois 60607
Phone: 312.563.5400
Fax: 312.563.5467
www.walshgroup.com

WALSH
The Walsh Group
SUBSIDIARIES Walsh Construction & Archer Western Contractors

CONFIDENTIAL

October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Ladies and Gentlemen:

The Walsh Group, LTD is the parent company of Walsh Construction Company, the lead contractor for WVB East End Partners ("Proposer"). As part of the Walsh/Vinci design/build team for the East End Crossing project, Walsh Construction Company's financial capacity support will come from its parent company, The Walsh Group, Ltd. Enclosed are the 12/31/2011 most recent audited financial statement for The Walsh Group and a company prepared balance sheet and income statement for the six month interim period ending 6/30/2012. Both statements were not available at the time of the RFQ submittal.

With respect to our financial statements disclosed to you, we certify to the best of our knowledge, information and belief that:

a. The preparation of our most recent financial statements disclosed to you have been prepared in accordance with generally accepted accounting principles and practices;
b. Such financial statements present fairly the information purported to be shown thereby;
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d. No off-balance sheet financial obligations exist to date; and
e. No public credit ratings for The Walsh Group exist.

Should we, subsequent to this date, become aware of any events having a material adverse effect on our most recent financial statements disclosed to you in order to keep those statements from being misleading we shall immediately disclose these events to the Indiana Finance Authority.

Yours truly,

The Walsh Group, Ltd

Timothy S. Gerken
Chief Financial Officer

929 West Adams Street, Chicago Illinois 60607
P: 312.563.5400 F: 312.563.5467 www.walshgroup.com
An Equal Opportunity Employer

A6. Off-Balance Sheet Liabilities

The Walsh Group

CONFIDENTIAL

October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Ladies and Gentlemen:

The Walsh Group, LTD is 100% owned by Matthew M. Walsh and Daniel J. Walsh. Matthew M. Walsh and Daniel J. Walsh and their respective immediate family members own 100% of Walsh Investors, LLC. The financial support for Walsh Investors, LLC equity participation in WVB East End Partners ("Proposer") will come from The Walsh Group, Ltd. Enclosed are the 12/31/2011 most recent audited financial statements for The Walsh Group and a company prepared balance sheet and income statement for the six month interim period ending 6/30/2012. Both statements were not available at the time of the RFQ submittal.

With respect to our financial statements disclosed to you, we certify to the best of our knowledge, information and belief that:

a. The preparation of our most recent financial statements disclosed to you have been prepared in accordance with generally accepted accounting principles and practices;
b. Such financial statements present fairly the information purported to be shown thereby;
c. No events have occurred which have a material adverse effect on our financial statements disclosed to you which shall be disclosed in order to keep those statements from being misleading;
d. No off-balance sheet financial obligations exist to date; and
e. No public credit ratings for The Walsh Group exist.

Should we, subsequent to this date, become aware of any events having a material adverse effect on our most recent financial statements disclosed to you in order to keep those statements from being misleading we shall immediately disclose these events to the Indiana Finance Authority.

Yours truly,

The Walsh Group, Ltd

Timothy S. Gerken
Chief Financial Officer

929 West Adams Street
Chicago, Illinois 60607
Phone: 312.563.5400
Fax: 312.563.5467
www.walshgroup.com

CONFIDENTIAL

The Walsh Group

SUBSIDIARIES Walsh Construction & Archer Western Contractors

October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Ladies and Gentlemen:

The Walsh Group, LTD is the parent company of Walsh Construction Company, the lead contractor for WVB East End Partners ("Proposer"). As part of the Walsh/Vinci design/build team for the East End Crossing project, Walsh Construction Company's financial capacity support will come from its parent company, The Walsh Group, Ltd. Enclosed are the 12/31/2011 most recent audited financial statement for The Walsh Group and a company prepared balance sheet and income statement for the six month interim period ending 6/30/2012. Both statements were not available at the time of the RFQ submittal.

With respect to our financial statements disclosed to you, we certify to the best of our knowledge, information and belief that:

a. The preparation of our most recent financial statements disclosed to you have been prepared in accordance with generally accepted accounting principles and practices;
b. Such financial statements present fairly the information purported to be shown thereby;
c. No events have occurred which have a material adverse effect on our financial statements disclosed to you which shall be disclosed in order to keep those statements from being misleading;
d. No off-balance sheet financial obligations exist to date; and
e. No public credit ratings for The Walsh Group exist.

Should we, subsequent to this date, become aware of any events having a material adverse effect on our most recent financial statements disclosed to you in order to keep those statements from being misleading we shall immediately disclose these events to the Indiana Finance Authority.

Yours truly,

The Walsh Group, Ltd

Timothy S. Gerken
Chief Financial Officer

929 West Adams Street, Chicago Illinois 60607
P: 312.563.5400 F: 312.563.5467 www.walshgroup.com
An Equal Opportunity Employer

A. Updated Financial Information Walsh Construction Company - Design-Build Contractor (JV Member)

CONFIDENTIAL

October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Ladies and Gentlemen:

Walsh Construction Company is the lead contractor for WVB East End Partners ("Proposer"). Enclosed are the 12/31/2009, 12/31/2010 and 12/31/2011 audited financial statement for Walsh Construction Company and a company prepared balance sheet and income statement for the six month interim period ending 6/30/2012.

With respect to our financial statements disclosed to you, we certify to the best of our knowledge, information and belief that:

a. The preparation of our most recent financial statements disclosed to you have been prepared in accordance with generally accepted accounting principles and practices;
b. Such financial statements present fairly the information purported to be shown thereby;
c. No events have occurred which have a material adverse effect on our financial statements disclosed to you which shall be disclosed in order to keep those statements from being misleading;
d. No off-balance sheet financial obligations exist to date; and
e. No public credit ratings for Walsh Construction Company exist.

Should we, subsequent to this date, become aware of any events having a material adverse effect on our most recent financial statements disclosed to you in order to keep those statements from being misleading we shall immediately disclose these events to the Indiana Finance Authority.

Yours truly,

Walsh Construction Company

Timothy S. Gerken
Chief Financial Officer

929 West Adams, Chicago, ILL 60607
www.walshgroup.com
An Equal Opportunity Employer

A1. Financial Statements

With regards to the East End Crossing RFP – Exhibit C, Section 2.0:

Financial Statements

Attached are the following financial statements in accordance with the RFP

Walsh Construction Company

- Audited Financial Statement for years ending December 31, 2009 - 2011
- Unaudited Financial Statement for six months ending June 30, 2012

The unaudited interim financial statements from Walsh Construction Company included in the Financial Proposal contain confidential financial information and have been redacted in full. The audited 2009, 2010, and 2011 financial statements included in the Financial Proposal contain confidential financial information and have been redacted in part.

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Walsh Construction Company

Financial Statements,
Supplementary Information
and
Independent Auditor's Report
For the Year Ended
December 31, 2011

Wolf & Company LLP
Certified Public Accountants

CONTENTS

Wolf & Company LLP
Certified Public Accountants

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A Wolf Financial Group Member

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Walsh Construction Company
Chicago, Illinois

We have audited the accompanying balance sheets of WALSH CONSTRUCTION COMPANY as of December 31, 2011 and 2010, and the related statements of comprehensive income, changes in stockholder's equity, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Walsh Construction Company as of December 31, 2011 and 2010, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Oakbrook Terrace, Illinois
April 11, 2012

Wolf & Company LLP

PKF
A PKF International Member Firm

1901 S. Meyers Road, Suite 500 Oakbrook Terrace, Illinois 60181-5209
630.545.4500 *main* 630.574.7818 *fax* www.wolfcpa.com

CONFIDENTIAL

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WALSH CONSTRUCTION COMPANY
BALANCE SHEETS

ASSETS

	December 31, 2011	December 31, 2010
Current assets:		
Cash and cash equivalents	$ 42,025,465	$281,511,541
Marketable securities	98,975,231	-
Accounts receivable:		
Contracts (including retainage of $69,306,577 and $64,546,610 in 2011 and 2010, respectively)	295,424,572	260,280,337
Unbilled amounts on completed contracts	2,940,713	4,265,542
Other	2,697,591	2,734,859
Equity in construction joint ventures	62,449,393	43,063,536
Due from affiliates	17,545,726	3,604,926
Notes receivable - affiliates	382,678	310,098
Costs and estimated earnings in excess of billings on uncompleted contracts	23,960,888	11,309,370
Total current assets	546,402,257	607,080,209
Property and equipment, at cost:		
Machinery and equipment	11,528,210	12,269,521
Automobiles and trucks	23,398,860	22,402,864
Building and leasehold improvements	27,656,626	12,006,069
Computer software	3,891,893	-
Furniture and fixtures	1,715,075	4,930,518
	68,190,664	51,608,972
Less accumulated depreciation and amortization	28,226,889	28,614,099
	39,963,775	22,994,873
Other assets:		
Cash surrender value of officers' life insurance	2,424,046	2,279,335
Due from affiliates, net of current portion	25,000	418,643
Deferred compensation plan investments	90,901,778	86,626,584
Notes receivable, affiliates, net of current portion	49,669,574	46,871,680
Deposits	-	28,346
	143,020,398	136,224,588
	$729,386,430	$766,299,670

LIABILITIES AND STOCKHOLDER'S EQUITY

	December 31, 2011	December 31, 2010
Current liabilities:		
Accounts payable	$221,101,394	$194,559,238
Accrued expenses	31,317,232	42,454,390
Billings in excess of costs and estimated earnings on uncompleted contracts	117,661,063	173,608,246
Due to affiliate	-	2,547,054
Total current liabilities	370,079,689	413,168,928
Defined benefit pension plan obligation	14,538,596	2,084,870
Deferred compensation obligation	92,779,337	95,616,562
Total liabilities	477,397,622	510,870,360
Stockholder's equity:		
Common stock, $10 par value, 10,000 shares authorized, issued and outstanding	100,000	100,000
Accumulated other comprehensive loss	(14,088,085)	(2,084,870)
Retained earnings	265,976,893	257,414,180
Total stockholder's equity	251,988,808	255,429,310
	$729,386,430	$766,299,670

The accompanying notes are an integral part of these financial statements.

CONFIDENTIAL

CONFIDENTIAL

WALSH CONSTRUCTION COMPANY

STATEMENTS OF COMPREHENSIVE INCOME

	For the Year Ended December 31, 2011	2010
Contract revenues	$ 1,697,948,594	$ 1,627,008,353
Contract costs	1,588,223,380	1,479,916,216
Gross profit	109,725,214	147,092,137
General and administrative expenses	86,187,480	105,884,168
Operating profit	23,537,734	41,207,969
Other income (expense):		
[redacted]	4,508,181	4,189,515
	-	(8,952,399)
	924,516	189,513
	5,432,697	(4,573,371)
Income before taxes	28,970,431	36,634,598
Provision for income taxes	(183,062)	(671,120)
Net income	28,787,369	35,963,478

[redacted]

The accompanying notes are an integral part of these financial statements.

Walsh Construction Company

Financial Statements,
Supplementary Information
and
Independent Auditor's Report
For the Year Ended
December 31, 2010

Wolf & Company LLP
Certified Public Accountants

CONFIDENTIAL

Wolf & Company LLP

A Wolf Financial Group Member

CONFIDENTIAL

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Walsh Construction Company
Chicago, Illinois

We have audited the accompanying balance sheets of WALSH CONSTRUCTION COMPANY as of December 31, 2010 and 2009, and the related statements of income, changes in stockholders' equity, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Walsh Construction Company as of December 31, 2010 and 2009, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Oakbrook Terrace, Illinois
March 28, 2011

Wolf & Company LLP

1901 S. Meyers Road, Suite 500 · Oakbrook Terrace, Illinois 60181-5209
630.545.4500 *main* · 630.574.7818 *fax* · www.wolfcpa.com

WALSH CONSTRUCTION COMPANY
BALANCE SHEETS

ASSETS

	December 31, 2010	December 31, 2009
Current assets:		
Cash and cash equivalents	$281,511,541	$283,438,303
Accounts receivable:		
Contracts (including retainage of $64,546,610 and $117,272,675 in 2010 and 2009, respectively)	260,280,337	343,227,482
Unbilled amounts on completed contracts	4,265,542	3,861,705
Other	2,734,859	1,005,464
Advances to and equity in noncorporate construction joint ventures	43,063,536	23,802,103
Due from affiliates	3,604,926	-
Notes receivable - affiliates	310,098	854,459
Costs and estimated earnings in excess of billings on uncompleted contracts	11,309,370	6,548,847
Total current assets	607,080,209	662,738,363
Property and equipment, at cost:		
Machinery and equipment	12,269,521	12,729,521
Automobiles and trucks	22,402,864	22,567,589
Building and leasehold improvements	12,006,069	3,248,562
Furniture and fixtures	4,930,518	4,126,417
	51,608,972	42,672,089
Less accumulated depreciation	28,614,099	29,142,587
	22,994,873	13,529,502
Other assets:		
Cash surrender value of officers' life insurance	2,279,335	2,137,590
Due from affiliates, net of current portion	418,643	1,034,643
Deferred compensation investments	86,626,584	61,629,594
Notes receivable, affiliates, net of current portion	46,871,680	32,759,562
Deposits	28,346	28,346
	136,224,588	97,589,735
	$766,299,670	$773,857,600

The accompanying notes are an integral part of these financial statements.

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LIABILITIES AND STOCKHOLDER'S EQUITY

	December 31, 2010	December 31, 2009
Current liabilities:		
Accounts payable	$194,559,238	$263,644,655
Accrued expenses	42,454,390	32,830,188
Billings in excess of costs and estimated earnings on uncompleted contracts	173,608,246	167,760,206
Due to affiliate	2,547,054	2,547,054
Total current liabilities	413,168,928	466,782,103
Defined benefit pension plan obligation	2,084,870	4,779,762
Deferred compensation obligation	95,616,562	76,850,524
Total liabilities	510,870,360	548,412,389
Stockholder's equity:		
Common stock, $10 par value, 10,000 shares authorized, issued and outstanding	100,000	100,000
Accumulated other comprehensive loss	(2,084,870)	(4,779,762)
Retained earnings	257,414,180	230,124,973
Total stockholder's equity	255,429,310	225,445,211
	$766,299,670	$773,857,600

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WALSH CONSTRUCTION COMPANY

STATEMENTS OF INCOME

	For the Year Ended December 31, 2010	2009
Contract revenues	$ 1,627,008,353	$ 1,711,176,543
Contract costs	1,479,916,216	1,527,788,547
Gross profit	147,092,137	183,387,996
General and administrative expenses	105,884,168	120,239,499
Operating profit	41,207,969	63,148,497
Other income (expense):		
[redacted]	4,189,515	3,432,773
	(8,952,399)	(9,000,000)
	189,513	1,032,674
	(4,573,371)	(4,534,553)
Income before taxes	36,634,598	58,613,944
Provision for income taxes	(671,120)	(2,587,398)
Net income	$ 35,963,478	$ 56,026,546

The accompanying notes are an integral part of these financial statements.

Walsh Construction Company

Financial Statements
and
Independent Auditor's Report
For the Year Ended
December 31, 2009

Wolf & Company LLP
Certified Public Accountants

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Wolf & Company LLP

A Wolf Financial Group Member

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Walsh Construction Company
Chicago, Illinois

We have audited the accompanying balance sheet of WALSH CONSTRUCTION COMPANY as of December 31, 2009, and the related statements of income, changes in stockholders' equity, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Walsh Construction Company as of December 31, 2009, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Oak Brook, Illinois
March 31, 2010

Wolf & Company LLP

2100 Clearwater Drive • Oak Brook, Illinois 60523-1927
630.545.4500 *main* 630.574.7818 *fax* • www.wolfcpa.com

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WALSH CONSTRUCTION COMPANY
BALANCE SHEET
December 31, 2009

ASSETS

Current assets:	
Cash and cash equivalents	$283,438,303
Accounts receivable:	
Contracts (including retainage of $117,272,675)	343,227,482
Unbilled amounts on completed contracts	3,861,705
Other	1,005,464
Advances to and equity in noncorporate construction joint ventures	23,802,103
Notes receivable - affiliates	854,459
Costs and estimated earnings in excess of billings on uncompleted contracts	6,548,847
Total current assets	662,738,363
Property and equipment, at cost:	
Machinery and equipment	12,729,521
Automobiles and trucks	22,567,589
Building and leasehold improvements	3,248,562
Furniture and fixtures	4,126,417
	42,672,089
Less accumulated depreciation	29,142,587
	13,529,502
Other assets:	
Cash surrender value of officers' life insurance	2,137,590
Due from affiliate	1,034,643
Deferred compensation investments	61,629,594
Notes receivable, affiliates, net of current portion	32,759,562
Deposits	28,346
	97,589,735
	$773,857,600

LIABILITIES AND STOCKHOLDER'S EQUITY

Current liabilities:	
Accounts payable	$ 263,644,655
Accrued expenses	32,830,188
Billings in excess of costs and estimated earnings on uncompleted contracts	167,760,206
Due to affiliate	2,547,054
Total current liabilities	466,782,103
Defined benefit pension plan obligation	4,779,762
Deferred compensation obligation	76,850,524
Total liabilities	548,412,389
Stockholder's equity:	
Common stock	100,000
Accumulated other comprehensive loss	(4,779,762)
Retained earnings	230,124,973
Total stockholder" equity	225,445,211
	$773,857,600

The accompanying notes are an integral part of these financial statements.

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WALSH CONSTRUCTION COMPANY
STATEMENT OF INCOME
For the Year Ended December 31, 2009

Contract revenues	$ 1,711,176,543
Contract costs	1,527,788,547
Gross profit	183,387,996
General and administrative expenses	120,239,499
Operating profit	63,148,497
Other income (expense):	
[redacted]	3,432,773
	(9,000,000)
	1,032,674
	(4,534,553)
Income before taxes	58,613,944
Provision for income taxes	(2,587,398)
Net income	$ 56,026,546

The accompanying notes are an integral part of these financial statements.

A2. Financially Responsible Letter

A2. Financially Responsible Letter

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The Walsh Group
SUBSIDIARIES Walsh Construction & Archer Western Contractors

October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Re: East End Crossing – ITP Exhibit C – Section 2.3.b

Dear Ms. Perez:

The Walsh Group, Ltd., is pleased to confirm that our subsidiary, Walsh Construction Company ("Walsh Construction"), is filing a response to the Request for Proposals issued for The East End Crossing (the "Project") by the Indiana Finance Authority as the Design-Build Contractor for WVB East End Partners.

We are pleased to confirm that we will financially support Walsh Construction Company's participation in the Project as the Design-Build Contractor via the advancement of cash, if needed, so that Walsh Construction can successfully carry out the Project. Attached to this letter is a guarantee from The Walsh Group.

Should you have any questions, please call me at (312) 563-5400.

Sincerely,

Matthew M. Walsh
Chairman

929 West Adams Street, Chicago Illinois 60607
P: 312.563.5400 F: 312.563.5467 www.walshgroup.com
An Equal Opportunity Employer

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PARENT COMPANY GUARANTY

In consideration for the award of a contract by the Indiana Finance Authority to WVB East End Partners and subsequent award of a contract from WVB East End Partners to the Walsh-Vinci CJV for the design and construction of the East End Crossing (Louisville-Southern Indiana Ohio River Bridges Project), we, The Walsh Group, Ltd., as parent to Walsh Construction Company, a partner in the Walsh-Vinci CJV, hereby agree to provide all the financial resources necessary for the satisfactory completion of the contractual obligations of Walsh Construction Company.

The Walsh Group, Ltd.

Corporate Seal

Matthew M. Walsh
Chairman

October 26, 2012

A3. SEC Filings

With regards to the East End Crossing RFP – Exhibit C, Section 2.0.3.c:

SEC Filings

Walsh Construction Company does not file reports with the Security and Exchange Commission, and therefore there are no Form 10K, Form 10Q, or Form 8-K required for this Proposal in accordance with the RFP.

A4. Credit Ratings

October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Ladies and Gentlemen:

Walsh Construction Company is the lead contractor for WVB East End Partners ("Proposer"). Enclosed are the 12/31/2009, 12/31/2010 and 12/31/2011 audited financial statement for Walsh Construction Company and a company prepared balance sheet and income statement for the six month interim period ending 6/30/2012.

With respect to our financial statements disclosed to you, we certify to the best of our knowledge, information and belief that:

a. The preparation of our most recent financial statements disclosed to you have been prepared in accordance with generally accepted accounting principles and practices;
b. Such financial statements present fairly the information purported to be shown thereby;
c. No events have occurred which have a material adverse effect on our financial statements disclosed to you which shall be disclosed in order to keep those statements from being misleading;
d. No off-balance sheet financial obligations exist to date; and
e. No public credit ratings for Walsh Construction Company exist.

Should we, subsequent to this date, become aware of any events having a material adverse effect on our most recent financial statements disclosed to you in order to keep those statements from being misleading we shall immediately disclose these events to the Indiana Finance Authority.

Yours truly,

Walsh Construction Company

Timothy S. Gerken
Chief Financial Officer

929 West Adams, Chicago, ILL 60607
www.walshgroup.com
An Equal Opportunity Employer

A5. Material Changes in Financial Condition

CONFIDENTIAL

October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Ladies and Gentlemen:

Walsh Construction Company is the lead contractor for WVB East End Partners ("Proposer"). Enclosed are the 12/31/2009, 12/31/2010 and 12/31/2011 audited financial statement for Walsh Construction Company and a company prepared balance sheet and income statement for the six month interim period ending 6/30/2012.

With respect to our financial statements disclosed to you, we certify to the best of our knowledge, information and belief that:

a. The preparation of our most recent financial statements disclosed to you have been prepared in accordance with generally accepted accounting principles and practices;
b. Such financial statements present fairly the information purported to be shown thereby;
c. No events have occurred which have a material adverse effect on our financial statements disclosed to you which shall be disclosed in order to keep those statements from being misleading;
d. No off-balance sheet financial obligations exist to date; and
e. No public credit ratings for Walsh Construction Company exist.

Should we, subsequent to this date, become aware of any events having a material adverse effect on our most recent financial statements disclosed to you in order to keep those statements from being misleading we shall immediately disclose these events to the Indiana Finance Authority.

Yours truly,

Walsh Construction Company

Timothy S. Gerken
Chief Financial Officer

929 West Adams, Chicago, ILL 60607
www.walshgroup.com
An Equal Opportunity Employer

A6. Off-Balance Sheet Liabilities

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October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Ladies and Gentlemen:

Walsh Construction Company is the lead contractor for WVB East End Partners ("Proposer"). Enclosed are the 12/31/2009, 12/31/2010 and 12/31/2011 audited financial statement for Walsh Construction Company and a company prepared balance sheet and income statement for the six month interim period ending 6/30/2012.

With respect to our financial statements disclosed to you, we certify to the best of our knowledge, information and belief that:

a. The preparation of our most recent financial statements disclosed to you have been prepared in accordance with generally accepted accounting principles and practices;
b. Such financial statements present fairly the information purported to be shown thereby;
c. No events have occurred which have a material adverse effect on our financial statements disclosed to you which shall be disclosed in order to keep those statements from being misleading;
d. No off-balance sheet financial obligations exist to date; and
e. No public credit ratings for Walsh Construction Company exist.

Should we, subsequent to this date, become aware of any events having a material adverse effect on our most recent financial statements disclosed to you in order to keep those statements from being misleading we shall immediately disclose these events to the Indiana Finance Authority.

Yours truly,

Walsh Construction Company

Timothy S. Gerken
Chief Financial Officer

A. Updated Financial Information Walsh Investors, LLC - Equity Member

CONFIDENTIAL

WALSH INVESTORS, LLC
929 West Adams Street
Chicago, Illinois 60607
(312) 563-5471
FAX (312) 563-5442

October 26, 2012

Indiana Finance Authority
One North Capitol Avenue, Suite 900
Indianapolis, Indiana 46204
Attention: Silvia Perez

Dear Ms. Perez

Re: The East End Crossing (Louisville-Sothern Indiana Ohio River Bridges Project) (the "Project") Request for Proposals

We are writing in response to the Indiana Finance Authority's Request for Proposals ("RFP") in relation to the Project. We provide this letter in accordance with the requirements of Exhibit C.

Pursuant to Section 2.0 of Exhibit C of the Request for Proposals, Walsh Investors, LLC does not prepare any financial statements.

Walsh Investors, LLC is hereby pleased to confirm that:

i. No material change in the financial position of Walsh Investors, LLC has occurred since the submission of the SOQ;
ii. There is no material off-balance sheet liabilities in excess of US$25 million dollars (in the aggregate) for Walsh Investors, LLC;
iii. No public credit ratings exist for Walsh Investors, LLC.

Should we, subsequent to this date, become aware of any events having a material change on our financial condition we shall immediately disclose these events to the Indiana Finance Authority.

The Walsh Group has been designated as the Financially Responsible Party and the Walsh Group information is provided herein.

Walsh Investors, LLC

Greg A. Ciambrone

Gregory A. Ciambrone
Authorized Representative